

INFORMATIONAL HEARING
BEFORE THE
CALIFORNIA ENERGY RESOURCES CONSERVATION
AND DEVELOPMENT COMMISSION

In the Matter of:)
)
Application for Certification) Docket No.
Community Power Project by the) 07-AFC-7
Kings River Conservation)
District)
_____)

UNIVERSITY OF CALIFORNIA
KEARNEY RESEARCH AND EXTENSION CENTER
9240 SOUTH RIVERBEND AVENUE
PARLIER, CALIFORNIA 93648

MONDAY, JANUARY 14, 2008

1:45 P.M.

Reported by:
Peter Petty
Contract No. 170-07-001

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

COMMISSIONERS PRESENT

Jackalyne Pfannenstiel, Presiding Member

HEARING OFFICER AND ADVISERS PRESENT

Kenneth Celli, Hearing Officer

Panama Bartholomy, Adviser

Suzanne Korosec, Advisor

STAFF and CONSULTANTS PRESENT

Lisa DeCarlo, Staff Counsel

Che McFarlin, Project Manager

PUBLIC ADVISER

Nicholas Bartsch

INTERPRETER

Isidro Salazar

Salazar Interpreting Service

APPLICANT

Scott Galati, Attorney

Galati and Blek, LLP

Jim Richards, Power Resources Manager

David L. Orth, General Manager

Kings River Conservation District (KRCD)

Thor Hibbeler

Environmental Consultant

ALSO PRESENT

Dave Warner

San Joaquin Valley Air Pollution Control District

ALSO PRESENT

Dennis Lujan, Mayor Pro Tem
D-B Heusser, City Manager
Jim Avalos, Councilmember
City of Selma

Armando Lopez, Mayor
Lou Martinez, City Manager
City of Parlier

Rey Leon
San Joaquin Valley Latino Environmental
Advancement Project

Rosaline Velasco

Paul Garofalo

Noe Hernandez

Victoria Armstrong, Principal
Indianola School

Shelly Abajian

Dee White

Rick Velasco

Manuel Cunha, Jr., President
Nisei Farmers League

Caroline Farrell, Attorney
The Center on Race, Poverty and the Environment

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P R O C E E D I N G S

1:45 p.m.

PRESIDING MEMBER PFANNENSTIEL: Before we get started let me just say that there is a Spanish interpreter here. And can you identify yourself?

THE INTERPRETER: Isidro Salazar.

PRESIDING MEMBER PFANNENSTIEL: Thank you. And if people would like translation services please move up to the front. I think it would be easier that way.

(The Interpreter translates preceding instructions into Spanish.)

PRESIDING MEMBER PFANNENSTIEL: Thank you.

This is an informational hearing conducted by a Committee of the California Energy Commission on the proposed Kings River Conservation District.

The California Energy Commission has assigned a Committee of two Commissioners to conduct these proceedings. Before we begin I'd like to introduce the Committee Members and the people at the head table.

I'm Jackie Pfannenstiel. I am the Chair

1 of the California Energy Commission and I'm the
2 Presiding Member of the Committee to examine the
3 application for a license for this plant.

4 To my left is Panama Bartholomy who is
5 one of my Advisors. To my right is Hearing
6 Officer Ken Celli, who will be conducting this
7 proceeding and other proceedings in this process.
8 And to his right is Suzanne Korosec, who is here
9 representing Commissioner John Geesman, who is the
10 other assigned Commissioner in this proceeding.
11 Commissioner Geesman was not able to be here
12 today.

13 Let's start with the parties introducing
14 themselves. Mr. Richards, would you introduce the
15 applicant.

16 MR. RICHARDS: Yes. My name is Jim
17 Richards; I'm Manager of Power Resources with the
18 Kings River Conservation District. To my right is
19 David Orth, the General Manager of the Kings River
20 Conservation District. And our counsel, Scott
21 Galati.

22 PRESIDING MEMBER PFANNENSTIEL: Thank
23 you. And the staff, Mr. McFarlin.

24 MR. McFARLIN: My name is Che McFarlin;
25 I'm the Energy Commission's Project Manager.

1 MS. DeCARLO: I am Lisa DeCarlo, Energy
2 Commission Staff Counsel.

3 PRESIDING MEMBER PFANNENSTIEL: Are
4 there people here from the City, the local and
5 nearby cities? Would you introduce yourselves,
6 please.

7 MAYOR PRO TEM LUJAN: Dennis Lujan,
8 Mayor Pro Tem, City of Selma. Do you want to know
9 our position now or in a little bit?

10 HEARING OFFICER CELLI: Later.

11 PRESIDING MEMBER PFANNENSTIEL: Later, I
12 think. You'll have an opportunity.

13 (Laughter.)

14 MAYOR PRO TEM LUJAN: My compliments to
15 the chef, very good pizza.

16 MAYOR LOPEZ: My name's Armando Lopez;
17 I'm the Mayor of Parlier.

18 PRESIDING MEMBER PFANNENSTIEL: Thank
19 you, Mr. Lopez.

20 MAYOR LOPEZ: Welcome.

21 COUNCILMEMBER AVALOS: Councilman Jim
22 Avalos of Selma. Thank you very much for being
23 here.

24 PRESIDING MEMBER PFANNENSTIEL: Thank
25 you. Other City representatives?

1 MR HEUSSER: D-B Heusser, City Manager,
2 City of Selma.

3 PRESIDING MEMBER PFANNENSTIEL: Thank
4 you.

5 MR. MARTINEZ: Lou Martinez, City
6 Manager, City of Parlier.

7 PRESIDING MEMBER PFANNENSTIEL: And do
8 we have a representative here from the Parlier
9 Wastewater Treatment, or the Sanger Wastewater
10 Treatment?

11 Anyone from the San Joaquin Valley Air
12 Pollution Control District?

13 We also have here from the Energy
14 Commission the Public Adviser -- representing the
15 Public Adviser's Office, Nick Bartsch. And he
16 will speak with us a little later.

17 The Kings River Conservation District
18 filed an application with the Energy Commission to
19 obtain a license to build and operate the
20 Community Power Plant Project here in Fresno
21 County.

22 The purposes of our hearing today are
23 threefold. First, to provide information about
24 the proposed power plant; second, to describe the
25 Energy Commission's licensing process as it will

1 go forward in reviewing this application. And
2 third is to provide information to you on
3 opportunities to participate in this process.

4 Later in the hearing the Public
5 Adviser's representative will explain how you can
6 obtain information about the project and
7 participate and offer comments about this process.
8 Mr. Bartsch will also tell you how to intervene as
9 a formal party to present evidence and cross-
10 examine witnesses if you choose to do that.

11 The applicant conducted a site visit
12 just before we convened here so the public could
13 enter the property and see the location where this
14 project is proposed to be built. The site visit
15 took place at 12:30 today and concluded just
16 before we opened at this time.

17 Now I'm going to turn to Hearing Officer
18 Celli to proceed with the informational hearing.

19 HEARING OFFICER CELLI: Thank you,
20 Commissioner. Can you all hear me? Thank you.

21 Okay, what you're looking at is a slide
22 of the California Energy Commission up there at
23 the corner of 9th and P Streets in Sacramento.
24 The California Energy Commission, a state agency,
25 has exclusive jurisdiction to license, or as we

1 say certify, new power plants that generate 50
2 megawatts of electricity or more.

3 On December 5, 2007 the Energy
4 Commission accepted as complete KRCD's application
5 for certification for the KRCD Community Power
6 Plant Project.

7 This is a nominal 565 megawatt natural
8 gas fired power plant proposed for construction in
9 an area of unincorporated Fresno County, near the
10 City of Parlier, east of South Bethel Avenue,
11 between East Manning and East Dinuba Avenues. I
12 hope I pronounced that right.

13 Notice of today's event was mailed to
14 all the parties, adjoining landowners, interested
15 governmental agencies and other individuals.
16 Notice was also published in the January 9, 2008
17 edition of The Central Valley Guide North
18 newspaper. And the Public Adviser's Office will
19 explain more about efforts to notify the public in
20 a moment.

21 Today's hearing is the first in a series
22 of formal Committee events that will extend over
23 the next year. The Commissioners conducting this
24 proceeding will eventually issue a proposed
25 decision containing recommendations on the

1 proposed project to the full five-member
2 Commission.

3 It is important to emphasize -- is this
4 not turning over?

5 MS. SPEAKER: No.

6 (Parties speaking simultaneously.)

7 HEARING OFFICER CELLI: Okay. The
8 Commissioners conducting this proceeding will
9 eventually issue a proposed decision containing
10 recommendations on the proposed project to the
11 full five-member Energy Commission.

12 It is important to emphasize that the
13 law requires that the Committee's proposed
14 decision be based solely on the evidence contained
15 in the public record. To insure that this
16 happens, and to preserve the integrity and
17 impartiality of the Commission's licensing
18 process, the Commission's regulations and the
19 California Administrative Procedure Act expressly
20 prohibit private, off-the-record contacts
21 concerning substantive matters between the
22 participants in this proceeding and the
23 Commissioners, this Committee, their Advisors and
24 me.

25 This prohibition against off-the-record

1 communications between the parties and the
2 Committee is known as the ex parte rule. This
3 means that all contacts between the parties and
4 the Committee regarding a substantive matter must
5 occur in the context of a public discussion, such
6 as today's event, or in the form of a written
7 communication that is distributed to all of the
8 parties.

9 The purpose of the ex parte rule is to
10 provide full disclosure to all participants of any
11 information that may be used as a basis for the
12 future decision on this project.

13 Additional opportunities for the parties
14 and governmental agencies to discuss substantive
15 issues with the public will occur in public
16 workshops to be held by the Commission Staff at
17 locations near here, such as the City of Parlier
18 and elsewhere in the area.

19 Information regarding other
20 communications between the parties and the
21 governmental agencies is contained in written
22 reports or letters that summarize such
23 communications. These reports and letters are
24 distributed to the parties and made available to
25 the public.

1 Information regarding hearing dates and
2 other events in this proceeding will also be
3 available on the Commission's website.

4 The application for certification, or
5 what we call the AFC, process is a public
6 proceeding in which members of the public and
7 interested organizations are encouraged to
8 actively participate and express their views on
9 matters relevant to the proposed project.

10 The Committee is interested in hearing
11 from the community on any aspect of this project.
12 Members of the public are also eligible to
13 intervene in the proceeding. And if there are
14 potential intervenors we encourage you to file
15 petitions to intervene as soon as possible to
16 allow for full participation.

17 In a moment we're going to ask the
18 Public Adviser's representative to explain the
19 public participation process, and also to provide
20 an update on their efforts to contact local
21 residents and other interested groups and
22 organizations regarding this proceeding.

23 Following this we will then ask the
24 applicant and staff to make their respective
25 presentations. These will be, in turn, followed

1 by general comments from the public and/or other
2 agencies present. And essentially this is the
3 agenda for the day.

4 If I can ask Mr. Bartsch to come
5 forward, please. Nick Bartsch from the Public
6 Adviser's Office. He's going to explain to you
7 the outreach process.

8 MR. BARTSCH: Thank you, Mr. Celli.

9 HEARING OFFICER CELLI: You want to go
10 to the podium.

11 MR. BARTSCH: Well, I like to face
12 (inaudible).

13 MS. DeCARLO: Do you want -- here --

14 (Pause.)

15 HEARING OFFICER CELLI: While they're
16 dealing with this I just want to say that
17 everything that we're saying, everything that's
18 being mentioned is being taken down and recorded
19 by a court reporter. And later there will be a
20 transcript of these proceedings. And so for that
21 reason it's very important that we all speak one
22 at a time and speak very clearly into the
23 microphone so that he's picking it up. Thank you.
24 Nick.

25 MR. BARTSCH: Thank you, Mr. Celli. My

1 name is Nick Bartsch; I am the representative of
2 the Public Adviser's Office, which is an office
3 within the Energy Commission, headed by a Public
4 Adviser who is appointed, a direct appointee of
5 the Governor. So in that sense it's an
6 independent office.

7 Its main responsibility is to insure
8 full and equal participation by the public and
9 make sure that the public is well informed; and
10 make information available to them at all times
11 throughout the entire proceeding in this
12 particular case.

13 I'd like to do two things just in a
14 short introductory period here. One would be just
15 to explain the role of the Public Adviser and how
16 you can participate in the proceeding. And two,
17 to give you a brief summary of our outreach
18 efforts that we have done in order to get to this
19 point; make sure that the public in this area is
20 informed about these proceedings.

21 First, there are two ways that we can
22 insure full and meaningful participation for you,
23 as the general public, or an interested party.

24 One would be just as an interested party
25 you can, of course, participate, make yourself

1 available to participate in the process, but also
2 have the information about the hearing. And you
3 have already, by signing in, you've signed up and
4 you'll be receiving information automatically in
5 the manner that you have requested on the sign-in
6 sheet.

7 We also have a dedicated website on our
8 website; it's dedicated to this particular case.
9 And it's included on this yellow sheet for those
10 of you who have internet capability. For those
11 who do not have it, we'd be happy to give you hard
12 copy information to insure that everybody,
13 including those who do not have computers, would
14 have the information.

15 So, one way to participate is, of
16 course, as a member of the interested public,
17 where you can make public comments, whether it's
18 written or verbal. And rest assured that in these
19 hearings that are recorded, your comments will
20 become part of the record on which the decision is
21 made.

22 Now, one way to provide your comment is
23 through public comments. And that way, you know,
24 you will still be -- your comments will be part of
25 the decision.

1 Now the other way that you can also
2 participate in a more formal way is if you so
3 decide you can intervene in the process. And that
4 way you would be, you have to petition the
5 Committee, chaired by Commissioner Pfannenstiel.
6 And within 30 days of your petition the Committee
7 will get back to you in writing about your
8 petition if you are approved as a petitioner.

9 And you will have all the privileges and
10 rights of a formal participant, including giving
11 testimony and cross-examination of witnesses of
12 other parties. And you have obligations, also, in
13 informing the other parties -- the other public.

14 I guess the emphasis, or the difference
15 between making public comments and testimony is
16 testimony is actually weighs more in the process
17 because it can be used as a decisionmaking
18 comment. Testimony that is made under oath,
19 whether it's by the intervenor or the witnesses of
20 the intervenor, becomes part of the official
21 record on which the decisions are made. It can be
22 used for making decisions.

23 So you can intervene all the way up to
24 the first, what we call an evidentiary -- 30 days
25 prior to the first evidentiary hearing. You want

1 to know more about the rights and obligations of
2 an intervenor, I'll be in the back there and be
3 happy to explain to you. I also have some written
4 information explaining the process.

5 Secondly, what I'd like to give you a
6 quick rundown on our outreach efforts. As Hearing
7 Officer Celli explain, we have made quite an
8 effort to reach out to the interested public
9 within this region.

10 We have published approximately 16,000
11 copies of The Central Valley Guide North, this
12 yellow notice, which is one side English, the
13 other side in Spanish, about this particular
14 hearing and site visit.

15 We have also notified officials, elected
16 and other officials, in this region, both for the
17 county and for the surrounding cities at least
18 within the six-mile radius of the proposed site.

19 We have notified 66 what we call
20 sensitive receptors. These would be parties such
21 as schools, hospitals, senior centers, libraries.
22 These would be facilities that are used by
23 particularly sensitive members of the public like
24 children, elderly folks, people with health
25 conditions, et cetera, who might have an interest

1 in this, and who might potentially be more
2 impacted by a facility such as this than the
3 general public.

4 We have also reached out to the media;
5 and we have contacted tv stations, radio stations,
6 newspapers, some of the weekly newspapers in the
7 area about the hearing. And they have agreed to
8 do public service announcements and I'm glad to
9 see that we have some of the media represented
10 here.

11 Of course, our goal is to have a well-
12 informed public from the beginning on. And I
13 think we have been able to reach this goal.

14 Now, with respect to the proceedings
15 here today, there is going to be time set aside, I
16 believe, according to the agenda, at the end for
17 public comment.

18 What I'd like you to remember; I'm going
19 to have these blue cards; I'm going to be in the
20 back of the room at the table. If you could
21 please fill out these blue cards, give them back
22 to me, and I will make sure I'll collect
23 everybody's blue card prior to the public comment
24 period. And I'll take it up to Chairperson
25 Pfannenstiel who will then call upon you during

1 the public comment period.

2 We'll make sure that everybody who wants
3 to make a comment will be able to do so. And your
4 comments will become part of the public record.

5 So, are there any questions right now?
6 If not, then I'll have the blue cards. Please see
7 me prior to the public comment period. Fill this
8 out and then you'll have an opportunity to
9 comment. Yes?

10 MR. LEON: A question in terms of
11 outreach. The Spanish-speaking venues of say the
12 media or this house-to-house --

13 MR. BARTSCH: Yeah, we reached out to --
14 one of the tv stations that we reached out to is
15 Univision. We got comment back from them; they
16 asked for information. We have emailed them our
17 flyer, which is one side in Spanish, the other in
18 English. They promised that they would try to put
19 it on their public service announcements.

20 We also, of the eight radio stations
21 that we have contacted, four of them are Hispanic.
22 So we contacted those, as well. We have provided
23 the information for them. And I hope that they
24 did do the public service announcement in Spanish,
25 as well.

1 MR. LEON: So, just a clarification with
2 respect to the six-mile radius of the proposed
3 site. I imagine that there was a mass mailing to
4 all households within that six-mile radius in
5 Spanish and English?

6 MR. BARTSCH: There was no mass mailing.
7 This was sent out to the community groups. And we
8 did the notification through the "Central Valley
9 Guide" which 16,000 copies of it cover this area.
10 It's the highest -- our understanding it's the
11 highest circulation of any paper in this area.

12 And we did not have a mailing list for
13 everybody in this area, but we did contact them by
14 newspaper ads and also by public service
15 announcements through the tv and radio. And also
16 contacted all the local papers, local weeklies,
17 and asked them to put announcements in the --
18 public service announcements in their upcoming
19 events section of the papers.

20 HEARING OFFICER CELLI: Thank you, Mr.
21 Bartsch.

22 MR. BARTSCH: Thank you.

23 HEARING OFFICER CELLI: I want to
24 encourage everyone who wants to make public
25 comment or ask questions later to please fill out

1 those blue cards because what we do is we collect
2 them up here and we call you in the order that we
3 receive the blue cards. So if you want to speak,
4 make sure that you see Mr. Bartsch in the back of
5 the room and fill out a blue card.

6 Now we are going to ask the parties to
7 make their presentations in the following order:
8 KRCD will describe the proposed project and
9 explain plans for developing the project site.

10 The Commission Staff, the California
11 Energy Commission Staff will then provide an
12 overview of the Commission's licensing process and
13 its role in reviewing the proposed KRCD Community
14 Power Plant.

15 After that we will discuss scheduling
16 and other matters addressed in the staff's January
17 7th issues identification report.

18 Upon completion of these presentations
19 interested agencies and members of the public may
20 offer comments and ask questions.

21 This will be a somewhat formal process.
22 I'm going to, rather than have the public ask
23 questions after each presentation, I'm going to
24 ask that the questions and comment period occur at
25 the same time for efficiency's sake at the end of

1 the presentations. we will have the staff and the
2 applicant available to answer your questions.

3 Okay?

4 And with that, applicant, please.

5 MR. ORTH: Thank you, Hearing Officer,
6 and Commissioner Pfannenstiel. David Orth, Kings
7 River Conservation District.

8 As part of our overview of the project I
9 would like to invite the City Manager of the City
10 of Parlier to make a couple of comments regarding
11 their interest in this project. And, Lou
12 Martinez, if you could come up.

13 MR. MARTINEZ: Thank you. I'm Lou
14 Martinez, City Manager for the City of Parlier.
15 And thank you for coming to our area, and we
16 appreciate that. We thank you for being here.

17 I am pleased to be here myself on behalf
18 of the City of Parlier, and the Mayor and City
19 Council. We express our support for this power
20 project. We believe this will be a welcome
21 addition to our community. We believe this
22 project has received unanimous support from the
23 Parlier City Council. And the Parlier Chamber has
24 also submitted a position of support.

25 In fact, in a show of our support of the

1 project the City of Parlier has taken many steps
2 to insure that all residents were notified of this
3 project in an appropriate and timely manner. Our
4 community is informed and supportive.

5 We believe in the project. We believe
6 that it will be safe. The City of Parlier fully
7 trusts the assurances of the safety and
8 sustainability of Kings River Conservation
9 District. And we are approving this project
10 moving forward.

11 Thank you very much.

12 MR. ORTH: Thank you, Lou. What I'd
13 like to do is give you some quick background,
14 state the vision of the Board of Directors of
15 Kings River Conservation District, and then tie
16 into how the Community Power Plant fits within
17 that vision. And we have audiovisual problems.

18 The Kings River Conservation District is
19 a local public agency formed under special act of
20 the California Legislature in 1951. We have an
21 elected board of directors representing six
22 different divisions of the district; an at-large
23 position which represents the landowners within
24 the service area.

25 We have established a reputation over

1 some 50-plus years as a leading resource
2 management agency with successful programs in the
3 area of water supply, groundwater management,
4 power resource development and environmental
5 solutions. We have demonstrated in a number of
6 areas good, solid, balanced resource solutions.

7 The vision of our board of directors
8 which has developed over several decades is to
9 make investments as they pertain to energy, to
10 increase local power supply and reliability and
11 efficiency, with specific investment in additional
12 general capacity.

13 We see opportunities through our public
14 agency status to reduce generation costs using tax
15 exempt financing and our not-for-profit position.
16 We have worked hard to develop a strong position
17 of local involvement as evidenced by the recently
18 created San Joaquin Valley Power Authority, which
19 is a joint powers agency of some 12
20 municipalities, 11 cities and one county, to work
21 with us in making regional energy planning
22 decisions.

23 And our long-term vision is to develop a
24 portfolio of generation assets to build upon the
25 now-operating Pine Flat hydro facility which we

1 brought online in 1984, the Malaga gas-fired
2 peaking facility brought on by KRCD in 2004. And
3 to add to that, the Community Power Plant, as well
4 as a robust renewable portfolio over the upcoming
5 years.

6 The plant, itself, is a proposed 565
7 megawatt two-on-one combined cycle facility using
8 natural gas as the fuel. This would serve as the
9 potential supply for the San Joaquin Valley Power
10 Authority. And through our studies, and supported
11 by other entities, we believe this would support
12 the stability of the greater Fresno area, which is
13 an area of concern of the California Independent
14 System Operator.

15 The plant site, which you visited
16 earlier, was selected after several years of site
17 evaluation. Our staff began by looking at the
18 attributes of over 200 locations. Quickly
19 narrowed that down after sorting through some
20 sensitive indicators involving resources,
21 historical sites, habitat impacts, availability of
22 the land, local support or opposition. Narrowed
23 that down to 29 locations and then after further
24 review knocked that down to two final sites.

25 The board of directors of KRCD

1 ultimately selected the site southwest of the City
2 of Parlier as the location. This is a parcel that
3 is zoned for agriculture under the Williamson Act
4 contract. As you saw, it abuts a closed landfill
5 and Parlier's wastewater treatment facility.

6 Sensitive receptors in the vicinity,
7 which you heard earlier, include residences,
8 schools, daycare facilities. The land is owned by
9 Kings River Conservation District. It is also
10 within the recently expanded sphere of influence
11 map for the City of Parlier approved by the county
12 board of supervisors, and is pending approval by
13 LAFCO.

14 There are additional offsite facilities
15 to be constructed in connection to this project
16 involving underground gas pipeline from the
17 Southern California Gas system; an underground
18 water supply line in the public water right-of-way
19 connecting both Parlier and the City of Sanger
20 wastewater treatment supplies to provide water
21 supply for the facility. And then there are 230
22 kV overhead transmission line and easements to
23 connect to the McCall Substation.

24 Air quality. The plant proposes to use
25 clean baseload combustion turbine generation

1 technology and best available emissions control
2 technology to meet the requirements of the San
3 Joaquin Valley Air Pollution Control District.

4 As an example of balanced resource
5 management strategies used by the Kings River
6 Conservation District Board of Directors, our
7 strategy is to develop real-time local emission
8 offsets to reduce local permitted emissions from
9 stationary sources.

10 We are focusing specifically on in-
11 region emission offsets to demonstrate publicly a
12 net benefit of this project.

13 Noise mitigation. The plant or project
14 will comply with county ordinances for noise
15 levels. To assist us in developing our noise
16 mitigation strategies we retained ADCO Noise
17 Management, a highly qualified international noise
18 mitigation consultant who is working with us in
19 both developing the permit application; but will
20 work with us as we go into the construction phase.

21 The site is planned to minimize offsite
22 noise pollution through layout, peripheral earth
23 berms and plantings and various walls, baffles,
24 mufflers and silencers. Pre- and post-
25 construction noise mitigation will be performed as

1 needed.

2 In the area of traffic control the
3 application includes construction and operations
4 traffic plans to minimize impacts to schools,
5 residences and commercial businesses. The Bethel
6 Avenue and Manning Avenue intersection, which we
7 traveled through on the site visit today, will be
8 avoided. And we will comply with county traffic
9 standards.

10 As another example of balanced resource
11 management, the plant will use reclaimed municipal
12 wastewater from Parlier and Sanger as the primary
13 water supply, assisting both of those communities
14 with plant expansion issues. There will be onsite
15 treatment for compliance with Title 22 health
16 standards.

17 Salt intrusion into the groundwater
18 through the use of this reclaimed municipal
19 wastewater supply will be reduced by an estimated
20 1500 tons per year. And as part of the Kings
21 River Conservation District involvement in local
22 area groundwater recharge programs, any water
23 supply impacts that would come from the use of
24 reclaimed water will be more than addressed
25 through our expanding and growing groundwater

1 recharge activities.

2 Visuals. The design concepts for the
3 plant were to set back from Bethel Avenue as far
4 as possible, utilizing landscaping and barriers,
5 berms and trees, plant, color scheme and
6 architectural design features to address visual
7 issues.

8 We have minimized stack height and
9 intend to incorporate green building design
10 concepts for the administration building.

11 Lastly, the timeline, as we see it, is
12 for the permitting process with the Commission to
13 end at the end of this calendar year. We would
14 complete our equipment procurement process by the
15 summer of 2009. Start site construction second
16 quarter of 2009. And hope to have the plant
17 commercially operable fourth quarter of 2011.

18 That would complete my presentation
19 unless there are questions.

20 HEARING OFFICER CELLI: Thank you, Mr.
21 Orth. At this time, ladies and gentlemen, we are
22 going to turn it over to the California Energy
23 Commission Staff who will present. Mr. McFarlin.

24 MR. McFARLIN: I'll need to have the --

25 HEARING OFFICER CELLI: Oh, the clicker.

1 (Pause.)

2 MR. McFARLIN: Okay. Good afternoon,
3 everyone. My name is Che McFarlin. I'm the
4 Energy Commission's Siting Project Manager for
5 KRCD's Community Power Project's application for
6 certification which was filed with the California
7 Energy Commission seeking a license to construct
8 and operate the proposed project.

9 There are several people working on
10 various aspects of the project on behalf of the
11 Energy Commission. A few of the key individuals
12 are listed here.

13 The following presentation is just a
14 tentative to provide you with an introduction to
15 the siting process. And we'll try to get you as
16 far as we can with it.

17 The purpose of the Energy Commission's
18 siting process is to insure that a reliable supply
19 of electrical energy is maintained at a level
20 consistent with the need for such energy; for
21 protection of public health and safety; for the
22 promotion of the general welfare; and for
23 environmental quality protection.

24 The Energy Commission has sole
25 permitting authority in California over all

1 thermal power plants of 50 megawatts or greater.
2 This authority extends to all related facilities,
3 often referred to as linears, such as electrical
4 transmission lines, water supply lines, gas
5 pipelines, waste disposal and access roads.

6 The Commission operates as a lead agency
7 under the California Environmental Quality Act.
8 And as such, staff produces a number of documents
9 associated with the environmental analysis of this
10 proposed project.

11 The two main documents we'll produce are
12 our preliminary and final staff assessment that
13 are equivalent to an environmental impact report.

14 There's three basic steps to the
15 licensing process, and I'll go through them
16 briefly now. The first step is data adequacy in
17 which staff reviews the application that KRCD
18 submitted. We just determine if it meets the
19 minimal requirements for our technical review.

20 The application for this project was
21 accepted as adequate on December 5th of 2007,
22 which started the beginning of the one-year
23 project review cycle that we're undertaking at the
24 Energy Commission.

25 Currently the project is in the second

1 step of the licensing process, discovery and
2 analysis, during which staff will prepare a
3 preliminary and final staff assessment. During
4 this time staff will consider input from the
5 public, the applicant, agencies and formal
6 intervenors in order to better inform our
7 documents.

8 The Public Adviser's role is to inform
9 the public and intervenors of how to best
10 participate in the overall siting and permitting
11 process for this project and make sure that your
12 concerns are part of the evidentiary record.

13 So, once we are through that process,
14 we've completed the preliminary and final staff
15 assessment, we'll enter into the third phase of
16 the licensing, which is the evidentiary hearings
17 and ultimately the decision. This process begins
18 after the final staff assessment is published. At
19 that point we hope to have received a lot of your
20 comments and incorporated and addressed some of
21 your concerns.

22 The Siting Committee that's been
23 assigned here will hold hearings to accept formal
24 testimony from all formal participants of the
25 process, as well as accept general public comments.

1 After the hearings are concluded the
2 Committee will issue a Presiding Member's Proposed
3 Decision, or as we refer to it, a PMPD. This
4 document contains findings relevant to the
5 project's environmental, public health and
6 engineering impacts, the project's compliance with
7 local laws, ordinances, regulations and statutes.
8 As well as local we comply with state and federal.

9 Recommending conditions of certification
10 are also included in the PMPD. And recommendation
11 of whether or not to approve the project.

12 The PMPD is then used by the full five-
13 member Commission to decide whether or not to
14 grant a license for the project. If approved and
15 a license is granted, the staff will monitor
16 compliance with all the conditions of
17 certification throughout the life of the project.

18 This slide just shows that the Committee
19 considers testimony and comments of all parties in
20 developing its decision. So we'd like to
21 encourage you to participate.

22 Also during discovery and analysis phase
23 we'll seek input from agencies at the local, state
24 and federal levels to inform our analysis. This
25 will help us identify issues, environmental

1 impacts and appropriate mitigation measures to
2 address those impacts. Additional agencies may
3 become involved as staff's analysis progresses.

4 There's several ways for you to
5 participate throughout the project. You can
6 submit written comments, provide oral comments at
7 meetings such as this. Or you can become a formal
8 intervenor as Mr. Bartsch discussed earlier. And
9 you're also -- we encourage you to provide written
10 comments on the preliminary and final staff
11 assessments when they become available. And by
12 signing up on the sign-in sheets you'll make sure
13 that you get a notice of that.

14 And if you'd like to make oral comments
15 today, as Mr. Celli and Mr. Bartsch mentioned,
16 please fill out one of those blue cards and you'll
17 get an opportunity to do so later.

18 Now, in order to better form your
19 comments it's important that you obviously have a
20 lot of project information, so we've tried to
21 provide that for you. And we have a website that
22 we've set up for the project, which is listed
23 here. And if you need any of this stuff I'll have
24 this presentation available to hand out later.

25 Throughout the process we'll be holding

1 meetings and workshops and making information
2 concerning the project available to everyone who
3 requests it, as well as posting it to the project
4 website.

5 Meetings that we conduct will be noticed
6 at least ten days in advance of the date for which
7 they are scheduled. In order to make sure that
8 everyone's informed we maintain several mailing
9 lists such as property owners that are within 1000
10 feet of the proposed site. We also maintain
11 general mailing lists that you can be included on
12 if you'd like to receive information and the
13 notices that we'll be sending out. And by signing
14 up you've done so.

15 There are also copies of the project
16 application which are available for public review
17 at a number of the local libraries. And that'll
18 be listed on the project website, too, if you go
19 to the notice of receipt.

20 The project's website contains several
21 of the major documents that have been and will be
22 prepared for this project. It also contains a
23 docket log which lists all of the documents that
24 have been filed for this siting case. Obviously
25 we can't post everything to the website, but if

1 you see it on the docket log it is public
2 information and you can ask that it be made
3 available to you.

4 There's several documents available on
5 the Commission's website which can better assist
6 you in understanding our licensing process and how
7 best to participate. And this just shows a few of
8 those. And so the project's website is this at
9 the top of the slide; and then if you just, you
10 know, go to energy.ca.gov that's just the basic
11 Energy Commission's website. From there you can
12 navigate to a number of these other documents.

13 And the only thing that's not self-
14 evident up here is the Title 20 of the Code of
15 Regulations pertaining to the rules of practice
16 and procedure for power plant site certification;
17 some of the rules by which we conduct our
18 analysis.

19 Another good way to stay involved is to
20 go onto the project website and to sign up for a
21 list server if you have internet access. This
22 will insure that you're provided with notices as
23 soon as they're made available. And it's pretty
24 easy to do. You can go to the project website;
25 the address is listed on the last slide. Enter

1 your email address, if you have one. And then
2 click on the send button. And then when notices
3 are available you'll receive an email.

4 But you can also obviously get hard
5 copies and things like that if you're on the
6 mailing list.

7 The document that staff has produced so
8 far is called an issues identification report.
9 And this document is to inform all the
10 participants of potential issues that have been
11 identified thus far. And we try to just let
12 everyone know what we're focusing on at this
13 point, what the important topics are.

14 It's important to note that what staff
15 considers or calls issues may be different from
16 what a lot of people think. And they're just
17 those things that we think are potentially
18 significant impacts that may be difficult to
19 mitigate, that don't comply with laws, ordinances,
20 regulations or statutes. Or conflicts between
21 various parties about appropriate findings or
22 conditions of certification that are proposed in
23 the Commission decision. But we're not to that
24 point yet.

25 So, the issues identification report has

1 been prepared. It's available on the project
2 website. And even though we're just getting
3 started with our discovery phase, staff's
4 identified two issues at this point. Those issues
5 are in the areas of land use and transmission
6 system engineering. And I'll briefly go over
7 those now.

8 The project requires a cancellation or
9 nonrenewable Williamson Act contract which the
10 applicant, KRCD, highlighted in their
11 presentation. And for those of you who aren't
12 familiar with the Williamson Act, it's an
13 agricultural preservation program administered by
14 the Department of Conservation and local
15 government, which in this case is Fresno County.

16 This program enables local governments
17 to enter into contracts with private landowners
18 for the purpose of restricting specific parcels of
19 land to agricultural or related open space uses.
20 KRCD has stated the process to cancel the contract
21 on the 32-acre project site is being initiated.

22 And the other thing that we've noticed
23 is that this project requires reconductoring of
24 about 53 miles of transmission lines. And that's
25 something where the California Independent System

1 Operator identifies upgrades that will be needed
2 in the transmission system to reliably transmit
3 the power that the project would produce.

4 And at this time the detailed
5 conductor information has not yet been made
6 available. So therefore at this time we must
7 begin our analysis under the premise that there
8 may be environmental impacts not yet identified.

9 Assuming all goes as planned, this is
10 the schedule that we're working with at this time.
11 And based on this schedule we plan to release the
12 preliminary staff assessment in May of this year.
13 Soon after we'll hold a workshop to discuss the
14 PSA with the public and interested agencies.
15 That'd be a good time to read over the PSA; make
16 sure it hopefully contains information you're
17 looking for; and then provide comments to us. You
18 can do that orally at the workshop or, again, you
19 can submit those in writing.

20 Based upon this schedule we anticipate
21 publishing the final staff assessment in July of
22 this year. And then after the completion of the
23 FSA we rely on the Committee and the full
24 Commission to schedule the remaining items for the
25 hearings.

1 It's important to take note that all the
2 proposed dates are tentative and subject to
3 change. Meeting the deadlines in this proposed
4 schedule is dependent on several factors such as
5 timely response to our staff's data requests and
6 resolution of identified issues. Staff's analysis
7 dependent on inputs from the regional air district
8 and when they file their determination of
9 compliance.

10 We need to have timely input
11 determinations from all the other agencies
12 involved such as Department of Fish and Game, U.S.
13 Fish and Wildlife Service. Their determinations
14 are important to help us complete our preliminary
15 and final staff assessments.

16 It's also dependent upon completion of
17 the Williamson Act cancellation or nonrenewal.
18 And there are also other factors that could affect
19 the project's schedule which we have not yet
20 identified.

21 And this just gives some of the contact
22 information for some of the people involved in the
23 siting process of our analysis. The Hearing
24 Officer, Ken Celli; the Commission's Public
25 Adviser's Office, represented here today by Mr.

1 Nick Bartsch in the back of the room; myself,
2 Project Manager, as well as Jim Richards with KRCD
3 and Amy Cuellar with Navigant Consulting who
4 managed the application for certification which
5 has been submitted to the Energy Commission, which
6 we're considering now.

7 And, again, if you would like copies of
8 this presentation I have them available. And if
9 you would like to make comments, make sure you
10 talk to Mr. Bartsch.

11 And that concludes my presentation.

12 HEARING OFFICER CELLI: Thank you, Mr.
13 McFarlin. At this time I'm going to give the
14 applicant an opportunity to respond to the issues
15 identification report from staff.

16 MR. GALATI: Scott Galati on behalf of
17 KRCD. We've read the issues identification
18 report. We agree largely with what's in it. We
19 have initiated the Williamson Act contract
20 cancellation.

21 Just for members of the public who may
22 not be interested -- or may not understand the
23 Williamson Act, the Williamson Act is a contract
24 by which you enter into. Every year you could
25 choose to not renew that contract. And I believe

1 it's between a seven- and a nine-year period of
2 time that that contract would go away. And then
3 your obligation for agricultural preservation on
4 that land to get the tax benefit would no longer
5 exist.

6 What KRCD has elected to do is to cancel
7 that contract earlier than the seven to nine
8 years. And in exchange has also offered and will
9 do, is looking for land to set aside the
10 equivalent number of acres of higher, more
11 productive land for in perpetuity in a farmland
12 trust.

13 So, KRCD is continuing to work with the
14 local agencies, and to find that land, but if that
15 is either through the American Farmland Trust,
16 that money could be given -- also could be done
17 through Kings River's own conservancy. But we'd
18 like to make the best public use of that land so
19 is continuing to work with Fresno County.

20 We have met with Fresno County and
21 described that process with them. They're
22 supportive of the set-aside. So I don't have a
23 tentative date for when that Williamson Act will
24 actually be canceled. We're pursuing the way that
25 Panoche, that project, and the Starwood project

1 both had cancellations, as well, to support the
2 licensing. So that's -- we will inform the
3 Commission and the Committee in the next status
4 report on how that is progressing.

5 With respect to the transmission, the
6 reconductoring. Reconductoring basically means
7 putting a larger wire on the existing poles. We
8 understand that there will be reconductoring. We
9 identified actually a lot more reconductoring
10 necessary than is currently identified now,
11 because of changing in the queue.

12 And what that means is different
13 projects coming in; whether those projects will
14 come online and require additional reconductoring.

15 Staff issued a series of data requests
16 to us including asking for more information about
17 that reconductoring, which we're working on now.
18 And we hope to be able to resolve within the next
19 30 to 60 days probably on that issue.

20 PRESIDING MEMBER PFANNENSTIEL:

21 Question.

22 HEARING OFFICER CELLI: Yes.

23 PRESIDING MEMBER PFANNENSTIEL: So, Mr.
24 Galati, does that mean that you haven't yet
25 determined whether you're going to have to do the,

1 is it 53 miles of reconductoring, or the 183?

2 MR. GALATI: Yeah, we have assumed that
3 we're doing the 53, because the 183 assumed the
4 San Joaquin Energy Center was in the queue.

5 PRESIDING MEMBER PFANNENSTIEL: Yes.

6 MR. GALATI: And it has lost its queue
7 position.

8 PRESIDING MEMBER PFANNENSTIEL: Oh, it
9 actually has at this time?

10 MR. GALATI: It has.

11 PRESIDING MEMBER PFANNENSTIEL: All
12 right, thank you.

13 MR. GALATI: And so we will be doing the
14 53.5, and now it's a matter of providing the
15 environmental information necessary to support
16 staff's analysis.

17 With respect to the schedule that Mr.
18 McFarlin went over, we're supportive of the
19 schedule. We would ask the Committee to listen to
20 what I say on most projects lately. Since the
21 Commission has so many projects, it's very hard to
22 predict the two documents that are required for
23 the PSA and the FSA to go forward, which is the
24 PDOC, which is the District's determination; and
25 the FDOC, which is the District's final

1 determination on air quality.

2 So we asked the Committee to adopt a
3 schedule that floats, meaning that the staff's
4 analysis should be 30 days after both of those
5 documents. That way we don't have to spend time
6 asking the Committee for a revision to the
7 schedule should the District, local district, not
8 hit the date we've estimated.

9 But other than that we're supportive of
10 the schedule and we thank staff for the assistance
11 with that schedule.

12 HEARING OFFICER CELLI: Thank you, Mr.
13 Galati. I was curious to know whether there's
14 been any movement on the choice of CTG in this
15 project.

16 MR. GALATI: Yeah, there is continued
17 movement. We're continuing to negotiate with both
18 manufacturers. And the reason that we did that,
19 as a public agency and a not-for-profit, and the
20 fact that this power is going to be sold to the
21 Joint Powers Agency, we wanted to do all due
22 diligence whatsoever to include the -- hold the
23 costs down.

24 And so we haven't made a final selection
25 because we're negotiating with both, quite

1 frankly, to insure we get the best price. Our
2 best estimate is that we will be concluding those
3 negotiations in the next 60 to 90 days. And
4 probably being able to make a decision at that
5 point.

6 As always, these things can take some
7 time. We're negotiating for multi-million-dollars
8 worth of equipment. But at this stage we were
9 unable to make a choice because we're continuing
10 those negotiations.

11 So what we've done in the AFC is
12 basically evaluated both cases and we would
13 encourage staff to look at the impacts from the
14 worst in every subject area.

15 HEARING OFFICER CELLI: Thank you. At
16 this time, ladies and gentlemen, we're going to
17 open up the podium here to public comment. Mr.
18 Bartsch has the yellow cards and I'd like -- what
19 did I say -- it's Monday -- blue cards. If
20 there's anyone else who would like to fill out a
21 blue card and address the Committee, please do so.

22 I'm going to just -- yes, what is your
23 name, ma'am?

24 MS. VELASCO: Rosaline Velasco.

25 HEARING OFFICER CELLI: Did you fill out

1 one of these?

2 MS. VELASCO: Yes, I did.

3 HEARING OFFICER CELLI: Please go ahead
4 and -- Rosaline Velasco?

5 MS. VELASCO: Yes.

6 HEARING OFFICER CELLI: Thank you.
7 Please.

8 MS. VELASCO: My name is Rosaline
9 Velasco and I'm actually a resident of Parlier.
10 I'm actually opposed to this power plant. And I'm
11 opposed to it because of air quality. And I'm
12 opposed to it because of the Williamson Act and
13 because of CA-ISO. I really don't really want my
14 state to spend money making those miles of
15 transmission lines.

16 I really like the fact that I have
17 farmland close to me. I think the plants clean
18 the air for us. And Parlier is one of the cities
19 in this whole area that has the worst air quality.
20 I think it's second to the worst in this area.
21 And we have to breathe it.

22 And our children get sick. We have high
23 numbers of asthma. I, myself, have allergies and
24 they've become worse. A lot of people with
25 emphysema. And really, it's just unhealthy for us

1 to breathe all the particulate matter.

2 So, when we have the land is under the
3 Williamson Act. We have, you know, greenery. And
4 that cleans our air. And we have a lot of
5 children in this area. I don't think it's right
6 for them to grow up with a lot of basically dirty
7 air.

8 And so, anyway, that's why I'm against
9 this and, as they say, not in my backyard. I
10 wouldn't care if they did it somewhere where there
11 weren't that many people, but not here.

12 Anyway, thank you very much.

13 HEARING OFFICER CELLI: Thank you, Ms.
14 Velasco. Paul Garofalo.

15 MR. GAROFALO: Afternoon. I had a
16 couple questions about the groundwater. You
17 talked about recharging the groundwater, but in
18 the notice that was sent to us it shows the
19 approximate acrefeet of usage 3485 acrefeet.

20 And drilling up to four shallow wells to
21 help with more water for the project, how much of
22 that water is coming from the Parlier-Sanger
23 Wastewater Treatment Plant? How much is going to
24 come from groundwater. And he's talking about
25 recharging, sounds like he's taking groundwater

1 away, not recharging the area.

2 HEARING OFFICER CELLI: Ladies and
3 gentlemen, this is both a comment period and a
4 question-and-answer. So I want the applicant to
5 have an opportunity to answer that question.

6 MR. ORTH: Yeah, with respect to water
7 supply impacts, you are correct that the annual
8 estimated water supply use is 3400, 3500 acrefeet
9 per year. Our intent is to, over the long term,
10 utilize the Parlier reclaimed wastewater as the
11 primary source. The growth forecast for Parlier
12 more than meet that supply.

13 The connection to the City of Sanger is
14 intended to be a backup supply. And then the
15 onsite wells are intended for both short-term
16 emergency water supply, as well as potable supply
17 to the plant, itself, to the staff who will need
18 drinkable water.

19 The groundwater impact analysis that was
20 done and included in the application show
21 virtually unmeasurable long-term impacts on the
22 water supply, the groundwater levels. However,
23 because of KRCD's interest in groundwater levels
24 within this region or active involvement in
25 groundwater management planning, both individually

1 and with collective groups of communities and
2 water district, we are working with the
3 consolidated irrigation district, which is the
4 district that serves the region, to assure that we
5 have adequate groundwater recharge to more than
6 mitigate any minimal impacts that have been
7 estimated by the groundwater experts.

8 MR. GAROFALO: You don't foresee the
9 water table going down?

10 MR. ORTH: We do not, but the hydraulic
11 groundwater modeling analysis done in support of
12 the application shows no reduction -- or no
13 increase in depth-to-groundwater. It does show an
14 improvement in groundwater quality. And we
15 believe, again, in the groundwater recharge
16 programs that we have, that we'll actually be able
17 to improve groundwater conditions in the area.

18 MR. GAROFALO: Okay. One other question
19 I had was about the old landfill. And I remember
20 the county shut that down several years ago. They
21 had concerns with the groundwater underneath the
22 old landfill as having a lot of contaminants in
23 it. Maintaining, they called it at that time, a
24 zone of depression; trying to corral the
25 contaminants within that area.

1 And I don't know how this is going to
2 affect that.

3 MR. RICHARDS: Yes, I'm sorry. We see
4 no impact on the county's site, disposal site
5 efforts.

6 MR. GAROFALO: Because the groundwater
7 tends to go towards the City of Selma, flow that
8 way and that's --

9 MR. RICHARDS: Yeah, we'll -- we'll
10 keep --

11 MR. GAROFALO: -- why they're trying to
12 maintain that level --

13 MR. RICHARDS: Yeah, we'll keep the
14 groundwater at least as high as it is now. And so
15 it should not encourage --

16 MR. GAROFALO: Because they're trying --

17 MR. RICHARDS: -- that to go anywhere
18 else.

19 MR. GAROFALO: -- to maintain that zone
20 of depression within the dump area.

21 MR. RICHARDS: Right. Yeah.

22 MR. GAROFALO: Those were the couple
23 questions I had.

24 HEARING OFFICER CELLI: Thank you.

25 MR. GAROFALO: All right.

1 HEARING OFFICER CELLI: Thank you very
2 much, Mr. Garofalo. Noe Hernandez.

3 MR. HERNANDEZ: Buenos tardes. My name
4 is Noe Hernandez.

5 THE INTERPRETER: Good afternoon; my
6 name is Manuel Hernandez and --

7 MR. HERNANDEZ: Noe.

8 THE INTERPRETER: -- I'm a resident here
9 of Parlier --

10 MR. HERNANDEZ: Noe Hernandez.

11 THE INTERPRETER: (inaudible)?

12 MR. HERNANDEZ: Noe Hernandez.

13 THE INTERPRETER: Noe Hernandez.

14 MR. HERNANDEZ: (Through Interpreter) I
15 live in the City of Parlier. Appreciative that
16 this is being recorded. That this was published
17 in the media. As you well know that you published
18 this in the media that the people of Parlier will
19 know.

20 By the media that you will know and the
21 people of Parlier, which is around 98 percent
22 Hispanic that speak Spanish. And I think it is
23 the right of our community to be well informed
24 when the election time comes for those that are
25 running are looking for everybody to go and vote.

1 This is a town that's not well informed; they're
2 not here.

3 If there's media, media that was done,
4 thousands and thousands. Why aren't they here?
5 Like the lady that previously made her comment,
6 that is our viewpoint, also. This isn't a project
7 of only one year, five years, ten years. This is
8 at least something that's going to be for 100
9 years.

10 A couple of years back in the year 2000
11 they were trying to do a project of making some
12 prison. We worked hard for that not to happen.
13 Because they're really projects that the big
14 cities don't want. They're projects that really
15 deteriorate the city and the community.

16 We were happy to hear that the federal
17 government was going to give money to help rural
18 areas. And now we're worried that they're trying
19 to bring a project with a high risk here to the
20 City of Parlier where other big cities don't want.

21 Why not save those 53.5 point
22 transmission line and have it done somewhere in
23 the area of Fresno? Don't come and scare our
24 community.

25 (In English) Don't come to (inaudible)

1 our community. Thank you very much.

2 (Applause.)

3 HEARING OFFICER CELLI: Thank you very
4 much for your comments, Mr. Hernandez.

5 Dennis Lujan, the Mayor Pro Tem of the
6 City of Selma is here.

7 MAYOR PRO TEM LUJAN: My City Manager
8 was supposed to speak before me. How in the heck
9 did you work this out, D-B? This guy's like a
10 magician.

11 Okay, you know, Noe hit the nail right
12 on the head, you know. This City of Selma, we got
13 about 25,000 people, about midpoint between the
14 City of Parlier and this project. So we're
15 right -- this is going to affect us more than it
16 will affect Parlier.

17 I was on the San Joaquin Air Quality
18 Board for about six years, and I think that gives
19 me some status in talking about air pollution. We
20 have a school that's called Indianola School. And
21 it's within a quarter of a mile of this project.
22 And the folks there are -- the entire town of
23 Selma, I can speak for, we're against this. We
24 don't want our children to be subjected to poor
25 air quality.

1 And then I was going to mention I was on
2 this Southwest Solid Waste Commission. We shut
3 down this dump site that's within a stone's throw
4 of this project, too. And the plume from this
5 area goes directly toward that dump site. And it
6 also goes to the City of Selma.

7 This project would deplete our water in
8 quality and quantity, something that we can't
9 afford. None of us could afford to get less
10 water. We're in a water crisis right now. And
11 we're looking for answers, we're not looking for
12 more problems.

13 You know, my fellow Councilman, who
14 probably is going to be following me here, he told
15 me, Dennis, didn't we offer these guys SKF. Now,
16 what the heck is SKF? It stands for Selma Kings
17 River Fowler Sanitation District. It's on the
18 freeway. There are no schools; there's no houses;
19 there's nothing around that area. And we offered
20 that property for them to locate this project.

21 They claimed that they looked at 200
22 sites. How in the world did they settle on this
23 location? It not only has a grammar school within
24 a quarter of a mile, but the City of Selma intends
25 to designate that area for residential in the

1 future.

2 One of these folks here, you know, from
3 KRCD they said that, you know, we're going through
4 LAFCO; you know, we're pretty sure we're going to
5 get this in our sphere of influence. Well, we're
6 ready to battle you on that. We're going to
7 battle you tooth and nail, if that's a saying,
8 just to make damn sure you don't get control of
9 that property, because we do not want this here.

10 The City of Parlier, we wish only the
11 best for Parlier. But, you know, the residents of
12 Parlier are here and they're speaking against this
13 project. How good can it be when the residents
14 come out against it? Neighboring cities come out
15 against it.

16 I've yet to see another community raise
17 its hand and say, hey, why don't you come and
18 build it here. I think Noe was right. They're
19 getting the leftover. And I'm sick and tired of
20 seeing poverty-ridden communities being used as
21 dumping grounds. You know, I think enough is
22 enough on this.

23 I've got a few other points here. The
24 water availability. Yeah, they're going to buy
25 this water from Sanger, ten miles away. Bring it

1 in at 28 bucks an acrefoot. You know, do they
2 have available water? Of course not. Okay.

3 Burning of natural gas. You know, I was
4 on the Air Quality Board. We had ag-to-energy
5 plants all over. They all shut down because they
6 weren't economically feasible. These guys are
7 going to be at the mercy of the market when
8 they're buying natural gas.

9 You know, if they go belly-up you know
10 who's going to be stuck with this \$50 million
11 bill? It's going to be a bunch of little, very
12 impoverished community that are going to have to
13 eat this. These guys are going to walk away.

14 People that are on the hook for the
15 bonds to make this thing are going to be little
16 communities like Parlier. To me, it's, you
17 know, -- in good conscience how can they even
18 recommend this location.

19 Okay, we're next to a school, blah,
20 blah, blah -- I'm hyperventilating here, so give
21 me a minute here. Probably going to need, you
22 know, to be resuscitated.

23 Okay, this is the worst possible
24 location. Their intent, yeah, they talk about
25 their intent, but, you know, good intentions, you

1 know, I mean how far do they get you, you know.

2 Why are they even involved in this? I
3 remember when they first came to the City of
4 Selma. And do you know what, we're paying money
5 to be a part of this thing. It's just that this
6 location is something that is totally unacceptable
7 to us, but we're actually a voting member of this
8 group. if they had another location maybe we
9 could talk about it. But there's absolutely no
10 way to accept this project in this present
11 location.

12 You've been sent here to protect the
13 interests of the citizens. Thanks for coming. I
14 hope you're listening to all the folks who are
15 going to be up. There are going to be a lot of
16 other people who are going to speak in back of me
17 that are also against this thing.

18 And, again, we wish only the best for
19 the citizens of Parlier. What a sweet community.
20 Don't take advantage of them.

21 (Applause.)

22 HEARING OFFICER CELLI: Thank you. Mr.
23 Avalos. We have next Dave Warner, the Director of
24 Permit Services from the San Joaquin Valley Air
25 Pollution Control District. Mr. Warner.

1 COUNCILMEMBER AVALOS: No, Jim Avalos.

2 HEARING OFFICER CELLI: Okay. Oh, I'm
3 sorry, I thought that was Jim Avalos. I'm sorry.

4 COUNCILMEMBER AVALOS: That's all right.
5 That's all right. You'll be next. I'm going to
6 get Mr. Avalos first, and then --

7 MR. WARNER: Not a problem.

8 HEARING OFFICER CELLI: I'm sorry about
9 that.

10 COUNCILMEMBER AVALOS: For the record,
11 I'm better looking.

12 (Laughter.)

13 HEARING OFFICER CELLI: Mr. Avalos.

14 COUNCILMEMBER AVALOS: I'm Jim Avalos,
15 Councilman of Selma. He was right, I'm right
16 behind him. And like my Councilman says, like the
17 situations on the air quality and the cities, of
18 all cities coming together, we're looking at
19 future things, you know, modern technology.

20 You say to yourself, okay, you know, we
21 want energy to be efficient and clean. And we
22 look at cities, Parlier has a high quality 8, high
23 problem in air quality situation. You say to
24 yourself, do you want certain things put there to
25 create more problems in the cities? No.

1 And you look at water issues. Do you
2 want the City of Sanger pumping water, taking
3 water out of their own city to supply their needs,
4 take away their needs. So you have to kind of
5 look at future things.

6 Say, as council leaders or supervisors
7 or Energy Commission, you look at things for the
8 future of mankind. We're looking at the future of
9 children, grandchildren and beyond that. And we
10 say to ourselves, what direction do we want to go.
11 We want to go in the right direction. We want to
12 go to the quality, air quality for the future of
13 mankind, for the survival of mankind.

14 And that's all I got to say right now,
15 you guys, because everybody's speaking in
16 different directions, but we're on the same page.

17 Thank you very much for listening to me.

18 HEARING OFFICER CELLI: Thank you very
19 much for your comments.

20 MAYOR PRO TEM LUJAN: Mr. Chairman, one
21 important thing. Do you know if this thing is a
22 huge success it would only affect 5 percent of the
23 generating costs. You're talking about nickels
24 and dimes, you know. This isn't a huge savings
25 for anybody.

1 HEARING OFFICER CELLI: Thank you. Next
2 we have Dave Warner, the Director of Permit
3 Services from San Joaquin Valley Air Pollution
4 Control District. Thank you for coming.

5 MR. WARNER: No problem. And I agree,
6 he is better looking.

7 (Laughter.)

8 MR. WARNER: Really I'm here to make
9 myself available to answer any questions about the
10 Air District's part in this process. It was kind
11 of rushed through in the presentation but I wanted
12 to make myself available for any questions from
13 anybody in the room.

14 Just real briefly, what the Air District
15 does is an analysis of the air impacts of the
16 operations of the facility. We make sure that the
17 facility is controlled with the very best air
18 pollution control equipment possible. And that
19 its emissions are offset.

20 We also -- and offset means that there
21 are emissions reductions supplied to mitigate the
22 emissions increases.

23 The California Energy Commission, as I
24 understand it, is able to go beyond those
25 requirements. And they are the ones that have the

1 responsibility for deciding whether the facility
2 is properly located, that kind of thing.

3 But any questions about the air quality
4 impacts I'm available to discuss those now, or as
5 we get further along in our evaluation of the
6 application. Anybody's free to call me and talk
7 to me about that process and where we are within
8 that process.

9 Any questions right now?

10 MAYOR PRO TEM LUJAN: Yeah. The
11 emissions --

12 THE REPORTER: Would you come to the
13 mike so I can hear you for the transcript?

14 HEARING OFFICER CELLI: Ladies and
15 gentlemen, we're going to need you, if there are
16 any questions, to speak into a microphone.

17 MAYOR PRO TEM LUJAN: Dennis Lujan,
18 Mayor Pro Tem, City of Selma. Former -- one of
19 your bosses.

20 Hey, now these buy-downs or emissions
21 credits, they can be bought from Madera, right?
22 Which, you know, to off -- their pollution offset
23 can be taken from somebody else that's doing a
24 great job in Madera, correct?

25 MR. WARNER: That's correct.

1 MAYOR PRO TEM LUJAN: That's correct.

2 So you could pollute the heck out of this place,
3 just as long as you're buying somebody else's
4 credit. So make sure you know that.

5 HEARING OFFICER CELLI: Are there any
6 other --

7 (Applause.)

8 HEARING OFFICER CELLI: Please, ladies
9 and gentlemen, in the interests of time we're
10 going to ask that you not applaud. Typically most
11 people are here because they're opposed to the
12 project, so we know that. But what I want to
13 request is that you show some respect to everybody
14 equally.

15 If there are any other questions for Mr.
16 Warner, as the Director of Permit Services from
17 the San Joaquin Valley Air Pollution Control
18 District, this is the place to get your questions
19 answered.

20 MR. LEON: Good afternoon. How's it
21 going, Dave? The question is where are the
22 offsets being bought from.

23 HEARING OFFICER CELLI: That's a good
24 question.

25 MR. WARNER: That is a good question.

1 Our application is still pending for information
2 about where the emission reduction credits are
3 coming from. Perhaps the applicant can --

4 HEARING OFFICER CELLI: The applicant
5 may want to --

6 MR. WARNER: -- can address that.

7 MR. GALATI: Yes, we have submitted what
8 we consider to be a offset package proposal. We
9 are currently in negotiations so we have not
10 purchased our offsets. Typically you don't
11 purchase your offsets until you get closer to
12 getting a final permit when your emissions are
13 much more specific and any operating conditions
14 under which you're going -- are going to be
15 imposed upon you.

16 But we have made a commitment, and I'll
17 let Dave Orth speak to this more clear, rather
18 than purchase the ERCs that are located in the San
19 Joaquin Valley's bank, we have been working
20 closely with somebody local, and we're keeping it
21 confidential at this stage, because we don't have
22 a deal yet, to get offsets that are very close to
23 the plant.

24 So we have made an incredible effort to
25 secure real-time offsets that are created to

1 support this project, as opposed to buying credits
2 in the bank. There will be some in the bank, not
3 all of our offsets are going to come that way.

4 I've been doing this a long time and
5 I've seen this applicant is using more local
6 offsets than I've seen.

7 MR. ORTH: If I may add, as I mentioned
8 in my opening comments the Board of Directors of
9 Kings River Conservation District has directed
10 staff to maximize, through the development of new
11 local emission offsets, to maximize what we can do
12 locally to achieve that balanced solution, as
13 opposed to purchasing from other areas of the
14 Valley or out of the existing credits.

15 It's our objective to, again, as I
16 stated earlier, at the end demonstrating net air
17 quality benefit to the region from stationary
18 sources. And we think we can accomplish that.

19 HEARING OFFICER CELLI: Thank you. Any
20 other questions of Mr. Warner while he's
21 available?

22 MR. LEON: Second question. What are
23 the emissions of criteria pollutants, the tonnage
24 per megawatt, that this plant will create?

25 MR. WARNER: I don't have the tonnage

1 per megawatt right in front of me. I believe it's
2 about 140 to 150 tons of NOx per year, nitrogen
3 oxides per year. A 565 megawatt plant, so --

4 HEARING OFFICER CELLI: That's a
5 question for the applicant. Are you looking that
6 up?

7 MR. GALATI: I'm certainly going to look
8 that up, but I also wanted to ask a question,
9 myself. Is it your experience that the applicant
10 would have to take the same tons out of the air
11 through offsetting, or more than that amount?

12 MR. WARNER: That's a very good
13 question. There is a safety factor built into the
14 calculations of offset mitigation. And generally
15 the applicants have to propose one and a half
16 times as much mitigation as they're proposing in
17 terms of new pollution.

18 That gets reduced if the emissions
19 reductions are generated close to the facility
20 that is causing the new emissions. And the reason
21 for that is we do try to encourage that type of --
22 the type of proposal that Kings River Conservation
23 District is talking about here, where the
24 emissions reductions are local to the vicinity of
25 the new emissions. That is a very good thing from

1 an air pollution control perspective.

2 MR. GALATI: Because I'm not as good
3 looking this up as I used to be, if we can go on
4 to the next question and I'll interrupt and give
5 you those numbers.

6 HEARING OFFICER CELLI: Okay. Before we
7 do, Mr. Warner, are you going to stay throughout
8 the remainder of our hearing?

9 MR. WARNER: At least for another hour.

10 HEARING OFFICER CELLI: That's great; I
11 really appreciate your being here. And thank you
12 for making yourself available to answer questions.

13 MR. WARNER: My pleasure.

14 MR. LEON: Just to the KRCD individual,
15 could you look it up for ammonia, particulate
16 matter and greenhouse gases, as well? Along with
17 what is -- our region is not in attainment for,
18 which is NOx being one of them.

19 HEARING OFFICER CELLI: Sir, can I ask
20 what your name is.

21 MR. LEON: Ray Leon, Latino
22 Environmental Advancement and Policy Project.

23 HEARING OFFICER CELLI: Did you fill out
24 one of these?

25 MR. LEON: Sure did. I'll be back

1 later.

2 (Laughter.)

3 HEARING OFFICER CELLI: Well, I was
4 going to kill two birds with one stone by trying
5 to find Ray Leon from SJN (sic) LEAP, Latino
6 Environmental Advancement Project.

7 MR. LEON: San Joaquin Valley.

8 HEARING OFFICER CELLI: Why don't you --
9 I'm going to pull you out of order and let you
10 speak, please.

11 MR. LEON: Okay. Well, good afternoon,
12 everyone. I'm glad to see some showing of Parlier
13 residents. Unfortunately the area in this section
14 was supposed to be the Spanish speakers from the
15 community of Parlier, which actually make up a
16 good majority of the community of Parlier.

17 It is important that when these
18 decisions or these processes are taking place,
19 that all stakeholders are at the table. I'm glad
20 that my colleague and friend, Noe Hernandez, was
21 here to speak on behalf of some of the residents
22 that cannot be here today, because the hours of
23 this sort of meeting are totally inappropriate for
24 working class families and individuals in this
25 area in the San Joaquin Valley in general would

1 have to -- farmworkers do not get a day off to
2 attend one of these meetings.

3 And when they arrive it's not an easy
4 chore to work in the fields. If you've tried it,
5 you know.

6 I'm here in opposition of the power
7 plant because it is a conventional power plant,
8 one that uses petroleum-based source to create
9 energy. And it's, of course, something that
10 pollutes. And the San Joaquin Valley is above its
11 capacity in respect to the pollution that it can
12 hold.

13 We, the San Joaquin Valley, and Dave
14 Warner will share with you that the San Joaquin
15 Valley Air Basin is in nonattainment of ozone; is
16 in nonattainment of particulate matter 2.5. Both
17 of those categories will be impacted by this power
18 plant.

19 Just to speak on the offsets piece,
20 usually what happens and what we've seen
21 throughout the state when they speak of offsets,
22 that's what they call the buying credits. Usually
23 when these projects take place, first and
24 foremost, they have been in low income communities
25 of color, where the assumption is that community

1 residents are so busy working and that they will
2 not participate. All right.

3 And that they will be able to streamline
4 these type of projects in communities of color
5 that are already disproportionately impacted due
6 to a lack of health insurance, due to a lack of
7 access to health care, due to other sources of
8 pollution.

9 We know that in Parlier it's officially
10 one of the most polluted areas in the San Joaquin
11 Valley. And pesticides, of course, are part of
12 the problem. And so this is a community that's
13 already disproportionately impacted economic-wise,
14 health-wise, and of course, pollution-wise. And
15 this will not affect that in a positive manner.

16 Localized pollution into the kids' lungs
17 of Parlier, Selma and the surrounding communities,
18 and the Valley as a whole is not something that we
19 should continue to accept. Especially when we
20 have the technology to create energy in a safe,
21 clean way that is something that can become a
22 project that holds a lot of community benefits.

23 Currently we have -- there's a project
24 in the area of Mendota. Unfortunately there
25 they're working on the Starwood and Panoche power

1 plants, which are also conventional power plants,
2 will pollute and will continue to increase the
3 risks to the public health of the San Joaquin
4 Valley residents; and contribute negatively to the
5 public health crisis we currently continue to
6 saga.

7 There is one project which is very
8 positive. It's a 80-megawatt project of solar
9 energy that will be created from a solar farm.
10 And they don't have to deal with the Williams
11 (sic) Act, because they are building this on the
12 64, I believe, of the 200,000 acres that have been
13 put out of production.

14 And so this solar farm will increase the
15 -- it will create jobs. The Valley, one of our
16 issues, not only pollution, is also unemployment,
17 poverty, a number of other issues. But this will
18 create opportunities of jobs for the residents in
19 that area.

20 The partnership has been as such to have
21 created also programs for vocational training. So
22 now we're talking about education, right. So then
23 we have clean energy for clean air, jobs,
24 education, community economic development in a
25 very conscientious way, right.

1 And so we should be looking at these
2 type of models and programs to create energy for
3 the San Joaquin Valley which is one of -- right
4 behind L.A., number one in some categories, the
5 most polluted air basin in the nation. Nation.
6 Right.

7 And so I would really like to know the
8 tonnage of pollution that will be created by this
9 power plant. And the residents should know, as
10 well, because this isn't a good project. It's
11 only continuing, perpetuating our dependence on
12 petroleum, and therefore pollution.

13 And there are solutions, and we should
14 act on moving forward on the technology that does
15 exist, that is clean, and day-by-day is becoming
16 better.

17 Thank you very much.

18 HEARING OFFICER CELLI: Thank you, Mr.
19 Leon, for your well thought out comments. I'd
20 also want to get the answer to your question, so
21 if the applicant has the information regarding the
22 question?

23 MR. GALATI: In the AFC, for those of
24 you that can go look it up online, or there's one
25 in the back of the room, and there's several

1 places you can get one. Speak to Mr. Bartsch; I
2 think he had them in the local libraries.

3 It's table 8.1, 17, 18, 19 and 20. It's
4 quite a bit of information here. And I wanted to
5 ask the commenter, do you want the number of
6 emissions, or do you want the number of emissions
7 after the offsets?

8 MR. LEON: Everything.

9 MR. GALATI: All right, so --

10 MR. LEON: Well, I --

11 (Parties speaking simultaneously.)

12 MR. GALATI: -- the KRCD's CPP emissions
13 are 137.14 tons per year of NOx. They're required
14 to set aside 190 tons of NOx in offsets.

15 The VOCs, which are what they call
16 volatile organic carbons, the highest number if
17 the Siemens unit is chosen, is 35.1. And they're
18 required to set aside 37.68 tons of offsets.

19 The PM10 emissions on table 8.1-19, the
20 highest number is 91.676; and the required offsets
21 are 115 tons.

22 And then for SO2 the highest is 14.7
23 tons per year; and the ERCs required will be 14.7.
24 And that's a case where the San Joaquin Valley's
25 rules don't require offsets, but the Energy

1 Commission typically requires them. So we have
2 agreed to those offsets.

3 I don't have the number for ammonia. I
4 think it's in a different section, but I'll get
5 that, as well.

6 HEARING OFFICER CELLI: Thank you, Mr.
7 Galati. And thank you for your question, Mr.
8 Leon.

9 Next I have Victoria Armstrong.

10 MS. ARMSTRONG: Hello. I'm actually the
11 Principal of Indianolo School that's been
12 mentioned earlier. We have 500 students, 50 staff
13 members; we're a quarter of a mile away.

14 People may not be aware that the
15 vineyard right next to the school is owned by the
16 district and is planned for expansion of our
17 school. So we will even be closer than what we
18 currently are.

19 Lincoln School is just a mile away, and
20 that's 1000 students, just right under 1000
21 students.

22 I have several concerns with this power
23 plant going in in this area. One is the air
24 quality issue. And like several people have
25 mentioned, we are in the worst area for air

1 quality, or second worst area in the San Joaquin
2 Valley. And yet we're going to contribute more
3 tonnage of air pollution to this area.

4 And when people talk about offsets and
5 their intention to have it nearby, that many tons
6 of air pollutants going into the air by my school,
7 it's very unlikely that the offsets are going to
8 be right by my 500 students and 50 staff members.
9 That's one concern.

10 Another concern is the wastewater issue.
11 Two years ago we had a problem where our water was
12 contaminated twice. And we think that's because
13 of the dump site that's right there, and the plume
14 that's right there. So, because of that, as a
15 result we had to start chlorinating our well. And
16 I have concerns that the water quality would maybe
17 be adversely affected by this power plant going in
18 and their use of the water if things were right in
19 the path of that plume to go down.

20 Third. They talk about mitigating
21 noise. They don't talk about eliminating noise,
22 they talk about mitigating it. That doesn't mean
23 that it's going to be solved, completely gone away
24 100 percent. Five hundred students are learning,
25 and I don't want a lot of noise for them to learn

1 in.

2 Also, a promise was made to Parlier that
3 the construction vehicles would not go down
4 Manning as they are traveling to do the project,
5 when they're doing the construction project. What
6 concerns me is where would they go then? Would
7 they go down Dinuba Avenue? How close would they
8 be to my school and my 500 students that are
9 riding buses in that area?

10 And --

11 HEARING OFFICER CELLI: Is that a
12 question, Ms. Armstrong, for the applicant?

13 MS. ARMSTRONG: That is a question.

14 HEARING OFFICER CELLI: I wonder if the
15 applicant could address that.

16 MR. ORTH: We can answer that question.
17 We need to look up the details, but I can tell you
18 that the transportation plan that was developed
19 was developed in large part with an intent to
20 avoid the school. To the extent that we were
21 going to bring traffic in from a connector to the
22 south, I believe, and loop it around the back and
23 come in. But Mr. Richards can give you the
24 specific alignments in a moment.

25 MS. ARMSTRONG: And if you were --

1 HEARING OFFICER CELLI: And while he's
2 looking that up if you could continue with your
3 comments.

4 MS. ARMSTRONG: Yeah. Bethel and Dinuba
5 is an area where we've had frequent accidents.
6 And it's very foggy. It's a country road area.
7 Many many accidents occur there.

8 I would figure that we're probably going
9 to be impacted with that, with that kind of
10 construction project.

11 And last, this doesn't have to do with
12 Indianola, but I do feel like Parlier citizens
13 should have been notified more effectively. I
14 think that paper, we sat in my area and said have
15 yo heard of that paper. What we're coming to the
16 conclusion of is it might be one of those weekly
17 throwaways that gets thrown in your driveway that
18 you don't subscribe to. And probably got put in
19 the trash by most people.

20 Also, if it's in English and a -- you
21 know, the majority of the people speak Spanish, I
22 really don't feel like the residents were
23 adequately notified and had a chance to respond.

24 And I would also agree with this
25 gentleman and say that a hearing in the evening

1 when many working parents could attend would be
2 appropriate.

3 And that's all I have. Thank you.

4 HEARING OFFICER CELLI: Thank you very
5 much for your comments. And while you're still
6 here, I just wanted to get you an answer to your
7 question.

8 MR. GALATI: Yes, we committed in our
9 AFC to certain mitigation measures. One of them
10 no construction traffic leaving the project site
11 will be directed down Dinuba Avenue in the area of
12 the Indianola Elementary School.

13 In addition, we have -- I don't actually
14 have a map of this, so I'm going to read it. Is
15 the project construction traffic departing the
16 site to northbound U.S. 99 will be directed south
17 on Bethel Avenue to Mountain View, and then west
18 on Mountain View to U.S. 99.

19 Outbound construction-related traffic
20 oriented north on U.S. 99 is traffic diverted
21 south to Mountain View Avenue and then west to the
22 highway. The limited volume of project-
23 construction traffic oriented east on Manning will
24 not impact the intersection because it will be
25 turning right during the evening peak hour.

1 So, again, we hired a traffic consultant
2 and specifically tried to avoid the school. We
3 committed to no hazardous materials going by the
4 school. We committed to project construction not
5 going by the school. And we limited that use of
6 Manning to a right turn instead of a left turn.

7 HEARING OFFICER CELLI: Thank you, Mr.
8 Galati. And thank you, Ms. Armstrong, for your
9 comments and questions.

10 Janet Velasco, are you still here?
11 Janet Velasco. Janet Velasco. Maybe she'll come
12 back. D-B, I'm sorry, Heusser, Heusser. City
13 Manager, City of Selma. Is it Heusser?

14 MR. HEUSSER: Heusser, yes.
15 Commissioners, applicant, I am D-B Heusser; I'm
16 the City Manager of the City of Selma, and I
17 appreciate the opportunity to talk with you.

18 We are members of the San Joaquin Power
19 Authority and very supportive of community choice
20 aggregation. But I'm here on direction of the
21 Selma City Council; you previously heard from two
22 members.

23 The Selma City Council is opposed to the
24 present location of the power plant. We feel that
25 it would be a great detriment to our citizens, air

1 quality and the growth of the City of Selma.

2 The question was raised by a couple of
3 citizens just now, is we'd like to know when this
4 was included in the SOI of the City of Parlier by
5 the county. We understood it was still in
6 application.

7 The City of Selma would like to remind
8 you or inform you, in some cases, that a number of
9 years ago the Southeast Regional Solid Waste site,
10 which is adjacent to the proposed site, proposed a
11 methane facility. At that time a number of the
12 residents came before the San Joaquin Regional
13 Solid Waste Board and opposed the plant.

14 They heard many of the same comments
15 regarding mitigations: baffles, sound, state of
16 the art, environmentally sound. The power plant,
17 or the methane facility is not there anymore; and
18 to prove that the citizens' concerns were very
19 much more on line than what the Commission felt,
20 or the experts felt.

21 Again, the City of Selma is on record as
22 being opposed to the location. And we went on
23 record because of the fact that not just the fact
24 of what was taking place, we have also had a
25 number of our citizens come before our Council

1 asking our Council to take a stand, which they
2 have, in opposition.

3 We feel that there are other locations
4 where there is more adequate water, as well as far
5 less impacts upon schools, travel, agricultural
6 and residential growth.h

7 I thank you very much for allowing the
8 City of Selma to put this into the record. Thank
9 you.

10 HEARING OFFICER CELLI: Thank you very
11 much, Mr. Heusser.

12 Shelly Abajian. Abajian. I'm sorry if
13 I'm mispronouncing people's names. I'm doing my
14 best.

15 MS. ABAJIAN: It's phonetical. I'm
16 Shelly Abajian. I'll start back to this morning.
17 Part of this project is part of the power
18 authority and community choice. And surrounded by
19 me sitting here with my father is our community.
20 My father, you have the Hams, you have the Whites,
21 you have myself. And none of us are on this map.
22 None of us are in the staff report.

23 The closest residents on your staff
24 report locates the nearest home within 1800 feet.
25 Now, if you walk directly from my front door --

1 unfortunately the bus did not stop right in front
2 of the projected site today, proposed site -- if
3 you stopped right there in front of that yellow
4 house, if you looked 400 feet, walked it, is the
5 first south southern bound turbine. And 100 feet
6 behind that would be your first stack.

7 So, it's unfortunate that that tour
8 didn't really give a full picture of our area.
9 I'm affected. Nine hundred feet, at the greatest
10 distance, will be to Dinuba Avenue. So within
11 that you have Mr. and Mrs. White, you have Mr. and
12 Mrs. Ham, you have the Manning family.

13 Beyond that, talk about the impoverished
14 of Parlier, or the region. They are not in the
15 sphere of Parlier yet. It's not been documented.
16 Behind the landfill there are 13 homes which
17 they're very impoverished homes that have not been
18 included in this process.

19 Get that picture. None of this was
20 pointed out to you today. Unfortunately I was on
21 the second bus, so I don't know what was being
22 said on your bus.

23 Going from there it is a rural
24 residential area. We are the community. If we
25 choose to expand at some point, it should be our

1 choice to build homes, not be included in an
2 industrial zone. We've not been included in that
3 process although it is a public forum, perhaps.

4 I have spoken to so many city councils
5 during this process, I can give you every answer
6 they have.

7 I'm going to go visual now. We talked
8 about air emissions and air credits and offsets.

9 I bought two cigarettes today from somebody.

10 These are the two smoke stacks, 100 or 150 feet
11 high. If I come to your house and smoke 20
12 cigarettes in your den, but, oh, I bought some
13 offsets. I could still smoke 15 with that
14 percentage of reduction even though I bought more
15 than I could smoke, I could only smoke 15.

16 Now, is this going to make a difference
17 to you as I sit in front of you and smoke up your
18 room? Is it going to make a difference as these
19 smoke stacks impale NOx over those 500 students in
20 the area, not excluding us and the region. As
21 it's been mentioned, we are the second worst air
22 pocket in the Valley.

23 We cannot meet attainment in this
24 Valley. We have the state and federal governments
25 every day being asked for millions of dollars to

1 help remedy this situation. Farmers are being
2 asked to curb their disking, their practices.
3 Truckers are going to be put out of business
4 because of air emissions. They cannot reach
5 attainment in this Valley.

6 Even if emissions are purchased, or
7 credits are purchased for emitting, we will not
8 reach attainment. So how can this process
9 continue?

10 Clean energy is the answer; 500
11 megawatts of clean energy will be coming in before
12 this plant is even finished.

13 In the proposal, as I understand what is
14 looked at is the need in the area. Right now we
15 don't have a need. We're a gross producer of
16 power. Perhaps in the future we do have a need,
17 and this is what this is trying to satisfy.

18 But during that time period all this
19 process clean energy is coming into our Valley.
20 KRCD, themselves, have a solar plant on the west
21 side as was mentioned earlier. This is the
22 direction we need to go. We don't need to take
23 care of a wastewater problem because the city
24 can't think of another way to clean up their
25 wastewater. But there is technology out there.

1 We don't take care of a groundwater
2 problem and create something that's never going
3 to go away. This is our ozone; this is global
4 warming. You have to think beyond the checkmarks
5 on your piece of paper. It's bigger than these
6 folders. It's the region. It's not just our
7 neighborhood, either, it's the region.

8 That's all I have.

9 HEARING OFFICER CELLI: Thank you very
10 much for your comments.

11 MS. ABAJIAN: Thank you.

12 HEARING OFFICER CELLI: Is Dee White
13 still here?

14 MR. SPEAKER: No, he left.

15 HEARING OFFICER CELLI: Thank you, Mr.
16 White.

17 MR. WHITE: I woke up. I was sleeping.
18 First of all I want to save you some money. If
19 you will build this project next to your
20 substation you won't have to have those long
21 transmission lines. You can transport the water
22 easily and cleanly without polluting the area.
23 Nothing wrong with doing that. Just a suggestion.

24 Basically I'm against the plant being
25 built here. I think a good place would be in

1 another state. Okay. I'm not really a comedian,
2 but there's several things I'd like to point out.

3 I live on the corner of Bethel and
4 Dinuba. I have not seen one soul from here come
5 to my front doorstep and talk to me about the
6 facility that they want to build. Not one person.
7 They could have taken a little time to come by a
8 year ago. I bought the damn place two years ago.
9 Didn't know you had this problem coming in.

10 I haven't been informed properly. My
11 zip code is Selma, 93662. So I assume all my
12 mail's going downtown Selma somewhere, not on the
13 corner of Bethel and Dinuba.

14 Now, you talk about pollution, the only
15 thing I can see that's going to bother is probably
16 General Grant's up here somewhere, the tree. And
17 he's going to get a good dose of it up there once
18 you get this sucker fired up. Oh, the wind
19 doesn't blow that way all the time; no, just part
20 of the time. General Grant's going to get it.

21 I don't know, I haven't seen anyone here
22 from Dinuba. Anyone here from Dinuba? Prevailing
23 winds from those smoke stacks go straight to
24 Dinuba. Just hope the prevailing winds keep
25 going. Otherwise it's going to be landing right

1 on the top of my house.

2 My house is about maybe 1000 feet from
3 the generator plant at the very most. No one came
4 by to tell me they were going to put this in.
5 It's 1000 feet away. I think the biggest problem
6 with your Commission is not properly informing the
7 general public. The people in Parlier speak
8 Spanish. The only paper we get, local paper, is
9 they throw a little blue thing along the driveway.
10 And it gets wet before you can pick it up.

11 So, would you like to have this built
12 next to your house? I don't see anybody saying
13 yes. I don't think so.

14 We need electricity because we got the
15 casinos going full blast up there running their
16 slot machines and stuff. That's why we need more
17 electricity. We don't need more electricity here
18 to pollute our property.

19 In your heart you know you're wrong, all
20 of you. No one's shaking their head because
21 they're on the payroll, I agree. But put it
22 somewhere else, some other state.

23 That's all I ask, okay? Thank you.

24 HEARING OFFICER CELLI: Thank you, Mr.
25 White; thank you for your comments.

1 Is Rick Velasco still here? Is it
2 Velasquez or Velasco? Velasco? Here he comes.

3 MR. VELASCO: Good afternoon, ladies and
4 gentlemen. My name is Rick Velasco. I am a
5 resident of the City of Parlier. I'm opposed to
6 this; I'm opposed to you messing with the
7 Williamson Act. I'm opposed to the other issue.

8 First of all, let's start off with the
9 Williamson Act. We have this jewel here that you
10 are sitting in and using, this facility. The
11 reason we have this jewel here is because of the
12 Williamson Act. Because the city of people of
13 Parlier want this jewel to stay this way.

14 The integrity of the scientific stuff
15 they do here is real important to this area.
16 Matter of fact, we are the ones who feed the half
17 this world; and for sure everything that you guys
18 eat.

19 The people from this town are the people
20 who put the lettuce and tomatoes and the salads
21 and all the food that you guys eat and enjoy are
22 people who break their backs, are from here.

23 Now you guys come into our communities
24 and insult us and think you're going to come and
25 put something that's going to poison our kids.

1 What's wrong with you people?

2 Think about it. You guys don't give a
3 shit about us. When you come here and want to
4 shit on us, because that's what you're trying to
5 do.

6 But you know what? We're not going to
7 let you. You are not going to come here and shit
8 on this community. Not as long as I'm alive. And
9 I'm going to tell you, if you think you're going
10 to go by LAFCO and get your verification, you're
11 crazy. Because we're going to fight you. You
12 know, someone says tooth and nail; we're going to
13 fight you with everything we have.

14 And we're going to go to the board of
15 supervisors and we're going to kick your ass
16 there, too. Because you know what, this plant is
17 not coming here. And the Mayor of the City of
18 Parlier, if he doesn't get his act together, we're
19 going to recall that son of a gun, too. Because
20 that's what it needs to be done.

21 You know what, we talk about the
22 children here. You guys don't care about the
23 children, just like when the kids were there.
24 You're talking about 2000 in the City of Parlier.
25 They don't care about the children. You don't

1 care about our futures.

2 But you know what, every time that you
3 guys enjoy asparagus, every time you guys eat
4 lettuce, every time you guys eat a peach or tomato
5 or an orange, remember the City of Parlier.
6 Because we're not going to let you do your garbage
7 here. This is not a dumping place. We're not
8 here to be dumped on anymore.

9 You don't want -- didn't have the
10 decency to come and ask us, respect us enough to
11 come and talk to us. You know, our people have to
12 work. They don't have the privilege of telling
13 your boss, rent me a room here, I'm going to go to
14 a meeting at 2:00 in the afternoon. We don't have
15 that privileges. See, they're busy making the
16 ends meet.

17 You know what, most of the people in my
18 town have to get food from the food bank because
19 you know what, they can't afford to buy it. See,
20 we don't make the \$30 an hour or \$40 or \$50 an
21 hour that you people make. We barely going to get
22 minimum wage of \$8. But everything's gone up for
23 us. The gas has gone up \$4 or \$5; it's going to
24 be up about that. But you make \$8, most of these
25 people make \$7.50.

1 Now, if I got to pay \$4.50 for a gallon
2 of gas, how much is that for -- now, I still got
3 to pay my rent. I still got to pay the food on my
4 table, and I still got to send my kids to school.

5 Now, you come over here and want to
6 insult us like this. Come on. Now, we talk about
7 credits, the man's talking about credits. That's
8 not you know about, but you get to buy some
9 credits from somebody else and use them as your
10 own. That's crazy.

11 We are the worst in the nation, folks.
12 Besides Arvin and Parlier, we are the worst in the
13 nation. We're not the third or the fourth or the
14 sixth, the second in the nation. We are the
15 poorest community in the nation. Not the last or
16 the third or the fifth, we are the worst. And
17 then you come in an insult my community like that.
18 No.

19 You guys should be ashamed of
20 yourselves, even promoting something like this.
21 Honestly. There's a lot of good, hard-working
22 people who are supporting you people. I'm ashamed
23 that you guys even come here and the worst thing
24 about it is, you know what, what they do here,
25 what they do here is helping the community. This

1 is where we feed everybody. And if you ruin us,
2 there isn't going to be a future for nobody else.
3 Because there isn't going to be any food for
4 anybody else.

5 This is the jewel that we have here in
6 Parlier and we're very proud of it. And we'll
7 fight you tooth and nail for it.

8 The integrity of the experiments that
9 they do here have to be the best. So when they do
10 something here that we can help other countries
11 and other nations. That's why people come from
12 all over the world here.

13 And then you guys want to come and
14 pollute this. Mess up the tests that they're
15 doing here so they're not accurate. So that we
16 can't help the world. That's what we do here in
17 Parlier. Think about those people first before
18 you think about yourselves.

19 Thank you.

20 HEARING OFFICER CELLI: Thank you, Mr.
21 Velasco, for your comments.

22 (Applause.)

23 HEARING OFFICER CELLI: And, again,
24 ladies and gentlemen, I'm just going to ask that
25 we give everybody equal respect as they make their

1 comments.

2 We have Manuel Cunha, Jr. Please,
3 Mr. -- did I pronounce that, Cunha?

4 MR. CUNHA: Yeah, you've hit it the
5 best. You did it the best amongst a lot of
6 people.

7 Manuel Cunha, President of the Nisei
8 Farmers League, which represents over 1000 growers
9 in the San Joaquin Valley. I also serve on the
10 United States USDA Air Quality Task Force,
11 appointed by the President, to deal with air
12 quality issues across the United States.

13 As well as I serve on the California Air
14 Resources Board's Research Policy Committee, in
15 which we helped all of you in this state and many
16 other states to figure out what's going on with
17 our air quality called PM10, and also 2.5, as well
18 as the ozone study. We've spent over 68 million
19 to try to figure what's going on in these air
20 studies.

21 And the air issue is -- I'm going to
22 talk a little bit about, but there are many other
23 issues. And first I want to thank the Commission
24 very very much. I think the gentleman that spoke
25 at the beginning, the talk about the process, I

1 think some people, and god bless their souls that
2 they're here to speak, the processes that we have
3 created are very very clumsy, very very difficult.

4 Unless you do it every day, just wake up
5 and you go to a hearing, and you know what you go
6 to do. Or if you turn on a power switch you know
7 what you got to do. If you're an attorney, you
8 hope your staff, your paralegals have done their
9 homework so when you go to the judge you've done
10 your diligence with the person you're
11 representing.

12 I'll make this fast, Mr. Chairman.
13 Again, I appreciate all of you very much for being
14 here.

15 The issues here are coming from the
16 farmers' side. Much of our land, I think, has to
17 be carefully looked at upon the devaluation, once
18 you start putting power poles and power lines and
19 huge steel conduit systems.

20 Several of my farmers in the area are
21 going to be impacted by these poles that are going
22 to go on their land. There may be what they call
23 right-of-ways, that's fine. But the value of the
24 farmland still is decreased.

25 And I think it's important to understand

1 that when there is a power outage, as one of my
2 90-year-old growers who appeared on The Fresno Bee
3 front page in August, still farms here in
4 Kingsburg; him and his wife, he just took out a
5 bunch of ten acres of vineyards, put in almonds
6 when he was 89 years old. Says he's going to see
7 these almonds. They last about 20 years. And
8 he'll be able to go mechanical harvesting, which
9 will eliminate his labor issue because of the
10 grapes. So, god bless this guy; he's going to be
11 around until 2000-and -- well, when he's 110, I
12 should say, 112 years old.

13 But these are the type of farmers that
14 are going to be impacted. But on his farm was a
15 power pole. And in the letter that he received
16 from the utilities was that at anytime there is a
17 power down line and his trees are in his orchard
18 they can't come through and remove the trees with
19 no compensation if they have to get to that power
20 line. So, all those trees can be ran over. And
21 those are issues that our farmers face through a
22 lot of issues when it comes to the domain of the
23 public safety, et cetera, et cetera.

24 So, land values have to be carefully
25 evaluated for our farmers. Our farmers cannot

1 pass on any cost to the consumer in any way, shape
2 or form. We are price takers all the way around.
3 Foreign countries dictate a big buyer's buy and
4 sell in the United States.

5 So I have to worry about the quality of
6 the farm values, is definitely going to have an
7 issue with all of this. The Williamson Act was
8 put there for a purpose. And I understand the
9 rights of how you deal with Williamson Act, the
10 legal processes that the county is going through.

11 We have to also deal with, somebody
12 brought up earlier, a thing called noise. This is
13 not going to be a small facility. Are we going to
14 plant some trees, some eucalyptus? Are we going
15 to put up some 100-foot walls. I'm already having
16 a fit with building the Berlin Wall down on the
17 border between us and Mexico. We already took
18 down a Berlin Wall once. We don't need to build
19 another one, and now we're going to create one
20 around here.

21 I don't know the total facts about these
22 wall prevent us from noise. But noise is going to
23 be an issue, and I think the lady from the school
24 is right. We have enough sometimes keeping kids'
25 attention. But when they hear these big buzzing

1 noises, that may want them to jump on the walls.
2 We don't have to give them the sugar, they'll just
3 automatically do it. I think that's something we
4 must be very conscientious of.

5 The other thing that I think the project
6 has to look at is the San Joaquin Valley has had
7 some extreme issues with air quality. Going to
8 extreme, it was until 2024. We also now have to
9 adopt a plan in April and get it to the board of
10 ARB by May, June to EPA, called 2.5. All air
11 districts have to develop their 2.5, smaller
12 micron size, gas carbons.

13 In those proposals that I've been
14 working over, and it's close to 400 pages, the
15 District is proposing, for example on agriculture,
16 which was discussed earlier, not by the District
17 but by folks, no-farm days so we can clean up the
18 air. And Kings River Conservation knows about
19 that discussion.

20 There was a tremendous amount of that
21 discussion. So if my farmers can't farm because
22 the air today is a bad day, then that means I let
23 the lettuce, as the gentleman said, and the
24 tomatoes and the peaches just fall off the tree.
25 Because my farmers have to stop farming because of

1 the pollution. I have a real problem with that.

2 I have a real problem when I can't milk
3 my cows on our dairy. After 72 hours the cows
4 will die. And you can check the statistics on
5 what happens to a cow when you don't milk her.
6 Okay.

7 Those are the issues that are
8 confronting my farming community in this basin
9 today, even under the new 2.5 plan that we're
10 working on.

11 The third plan that your Governor has
12 put forth, AB-32, global warming. And that
13 addresses four agricultural areas. And again it
14 talks about our packing houses, operation of how
15 our packing houses are operated.

16 Talks about our ammonia issues. And
17 ammonia coming from various sources. It also
18 talked about fertilizers; that we may not be able
19 to put fertilizers on trees in a visual form in
20 the air, but they may have to go through and
21 shanked into the ground or into the water system.

22 A lot of our farming operations don't
23 work that way. And as the gentlemen just
24 previously stated, Kearney Research Center made it
25 very clear in the research that we've done, full

1 year applications are the best for trees for
2 production. Okay. So we'll have to stop some of
3 those type of activities because of pollution.

4 AB-32 is going to be a dramatic impact
5 in this Valley, as well as other areas. But this
6 Valley will be the biggest because we farm
7 approximately 5.1 million irrigated acres.

8 The other area, and I think Mr. Orth
9 definitely is concerned about this, and I know
10 everybody else is, including the Governor. But if
11 we can get Mr. Fabian Nunez and Mr. Don Perata to
12 quit doing some things we might be able to get a
13 dam built to hold water.

14 But drought is a serious issue. All of
15 you may be saying, god, you just had five inches
16 of rain. You had ten feet of snow. Well, let me
17 tell you, my farms this last year in '07 paid \$750
18 an acrefoot for water. And that was so bad, the
19 cost of trying to get that return back is not
20 going to happen.

21 Let me give you a little bit more on
22 that. Today -- and also I serve on the Federal
23 Reserve Board out of the region for agriculture --
24 today the banks are now starting to ask our
25 farmers to prove that you're going to have

1 guaranteed water. Guaranteed water before you get
2 your loans.

3 Let me give you another example. Four
4 months ago I was in an immigration meeting in
5 Washington, D.C. In that meeting the discussion
6 was are you going to have labor to harvest your
7 crops. If you do not show us a guarantee of labor
8 you're not going to get your farm loans.

9 Now some of you in here don't understand
10 and may not even care about that issue. But let
11 me tell you if I don't have labor I don't pick
12 crops. Parlier, Del Rey, Orange Cove, Mendota,
13 Los Banos, all of them is where much of the labor
14 lives and has for years, families and families, et
15 cetera. So my farmers have to show they're going
16 to have a guarantee of labor. By the banks.

17 Now we're talking about the water. Yes,
18 we're going to recycle effluent. We're going to
19 bring it from Sanger. We're going to build
20 another pipeline underground and we're going to
21 shift it this way. Okay, great.

22 I think we've got some serious problems,
23 and definitely AB-32, the Governor totally
24 emphasized alternative use of fuels. And if
25 anybody tells me KRC or any staffer, in 1999/2000

1 when we had the power outage, my greenhouses in
2 Salinas and Monterey shut down because they could
3 not afford to pay the \$38 to 40 per gallon, if you
4 calculated it, for gas to run their greenhouses.

5 They literally shut down their
6 greenhouses because the natural gas was a big
7 shortage, as you remember the fuel crisis. And we
8 had fuel coming from Arizona, the Canadian
9 pipeline or whatever got shut down. So when
10 anybody thinks that we're going to produce cheap
11 power, and that's why we're going to do this, and
12 I don't think they have stated that at all, but
13 the cost is not going to be what everybody thinks
14 it is. And I think those are important issues.

15 There is a process that you're going to
16 go through. This is not your only one hearing or
17 workshop or informational. We know that. I think
18 the public doesn't know that. And that's where I
19 believe, like I'm always told, even by Mr. Rey
20 Leon over here, public outreach.

21 We no longer can do things like they've
22 been done in the past because the emotions are
23 high, people's lives are at account, children's
24 lives are at account, schools are close by.

25 Now I am disappointed. If there was a

1 map that was published by the system, and these
2 farmers' lands were not put on there and the exact
3 feet to that power plant, that's not right. You,
4 as a Commission, should be given everything that
5 is important to this location for you to consider.

6 When I took the Federal Reserve Chairman
7 on a little tour I just didn't go to what I
8 thought was the best. I went for him to see what
9 farmers' sizes are, small, big, medium, you name
10 it, okay.

11 So I would hope that we do give you the
12 correct and accurate information of all the
13 farmers that are in this area, the schools that
14 are in this area.

15 The air quality. We have a young man
16 here from the District. The air issue is very
17 complex. For somebody to have NOx, 38 tons per
18 day, -- well, let's just say 38, and SO2 and
19 those, and PM -- and you haven't given us the 2.5
20 yet. I don't know, Dave, if you guys have got
21 that, because that's the newest criteria that we
22 have to deal with, and PM1, there's not too many
23 folkspeople around here that have that type of
24 emissions they're generating except for very few
25 facilities.

1 One's a huge glass plant directly south
2 of here, called Guardian Industries. Some others
3 are some packing houses or processing facilities
4 that may have those type of emissions, okay. But
5 the one thing I would encourage the staff to do,
6 if you would contact Karen Magliono at the
7 California Resources Board, the head of the
8 research division for PM10 and 2.5. And a second
9 person I'd ask for you to contact is John DeMoffat
10 with the California Resources Board, involved in
11 the ozone studies.

12 You will find out, along with the
13 District, of Mr. Jim Sweet, some of the folks from
14 the Air District, the type of pollution that
15 travels in this basin is huge. At night, about
16 1:00, it comes from Bakersfield and it heads right
17 up here on the mountain ranges. It goes clear up
18 to Modesto, it goes to the west side, and it heads
19 back south. Okay.

20 But it centers in this spot, Huron,
21 downtown Fresno, Fig Garden, and at one time,
22 closely right behind it are areas that are
23 nonattainment for various NOx issues. And Parlier
24 is one of those. But not first or second. How
25 Fresno, Fig Garden got into it I have no idea.

1 But, again, it's the wind patterns.

2 So I would encourage you, as staff, if
3 you could contact those folks and talk to them
4 about the air quality issues and the metering and
5 monitoring that we have here in Parlier at the
6 Kearney Research Center. We have a monitor with
7 the Air District. Because those are important
8 issues.

9 I just went through Parlier with a study
10 with the Department of Pesticide and Regulations.
11 And it was with the environmental justice. And
12 Rey happened to serve on that advisory committee.
13 We went through two -- close to two years -- two
14 years of heavy research on farmers pesticides all
15 over this area of Parlier because of certain
16 issues of pesticides in the rural community, of
17 the schools.

18 And that research was very positive and
19 benefitting of agriculture, as well as it
20 identified some other things. But if we didn't do
21 that research there would have been some strong
22 accusations completely to keep on being made
23 against agriculture. But the research was
24 important.

25 In closing, there's a lot of issues

1 here. But the farm value, the farmland is
2 absolutely my concern for several of my growers.
3 And the distance you're going to have to dig this
4 pipeline, and where you're going to throw these
5 power poles.

6 And I want the staff, one last thing,
7 Mr. Chairman, that Bethel Avenue, Adams Avenue, if
8 you check with the county, I had contacted the
9 transportation department of our county, we had 14
10 accidents as of December 17th or 18th. I just
11 went out to meet a grower on the corner and there
12 were 14 accidents that have occurred on that
13 corner because they moved all the traffic off of
14 Academy Avenue, which is Manning, all the way to
15 past Adams, over to Bethel.

16 And they've had more accidents because
17 people come on there to go to the snow. So now
18 we're going to move more traffic. And I'm not
19 saying that you need to look at that because it is
20 so dangerous, the staff forgot to worry about the
21 fog. We have a fog problem here.

22 But just to let you know that Bethel and
23 Adams has been the worst thing that they have ever
24 did because people think it's a four-way stop, and
25 they don't. And they've had some very serious

1 accidents.

2 So just moving a road over because
3 somebody did some consulting work, in many cases,
4 many times is not good.

5 So, again, thank you for your patience
6 for my dissertation. I would hope that these
7 questions can be answered either by the staff at
8 the KRC, as well as the Commission.

9 And, again, thank you for all of you
10 coming here. We allow the process and look
11 forward to nighttime workshops. Thank you.

12 HEARING OFFICER CELLI: Thank you, Mr.
13 Cunha. I have the next --

14 MR. GALATI: Mr. Celli.

15 HEARING OFFICER CELLI: Yes, Mr. Galati.

16 MR. GALATI: Can I respond to two of his
17 questions, because I --

18 HEARING OFFICER CELLI: Please.

19 MR. GALATI: -- was able to find two of
20 the answers. First of all, with respect to the
21 transmission alignment, just to remind the public,
22 KRC is a group of farmers, themselves. What they
23 did, their alignment for their transmission line,
24 they made every attempt possible to stay on the
25 edges of farming properties so as to minimize the

1 impact.

2 We'll certainly have further discussions
3 with you about particular properties if you'd
4 point them out to us.

5 MR. CUNHA: Yeah, it's --

6 MR. GALATI: But we did make every
7 attempt to try to avoid that.

8 MR. CUNHA: Right, it's called an
9 easement rights. And easements are an issue, we
10 all know. I have a farm and I know what an
11 easement is. And I have a canal that runs through
12 my farm, and I know what that 75 middle, you know,
13 you got a canal there, but they got 75 feet that
14 they can raise havoc with my trees.

15 So don't just tell me it's just we're on
16 the property, no. We got to use all the words;
17 it's called an easements. How far does the
18 easement go, because they all vary.

19 And when you guys deal with utilities --
20 I have some friends that live in the hills that
21 have some major power lines. And the easement,
22 there's 150 feet. So not just 20 feet.

23 So, I appreciate that, but those are
24 things we need to let to be known, is that it's 20
25 or 30 more feet of my trees are going to be ripped

1 out and taken. That destroys the value of my
2 property when I try to sell it. Because no
3 farmer's going to want to deal with it.

4 MR. GALATI: Yeah, I understand that
5 concern. But what I was -- the point I was trying
6 to make was KRCD did make the straightest line
7 possible because it costs them less. What they
8 did is they jogged it around as much as they could
9 to stay on the edges of these properties.

10 The second point, with respect to the
11 PM10 and the PM2.5 that you raised, table 8.1-18
12 of the AFC, where 91.6 tons per year of PM10.
13 And, Thor, correct me if I'm wrong here, but I
14 believe that for purposes of looking at the air
15 impact analysis, we assumed all of that was PM2.5.

16 MR. CUNHA: No, you can't. No way.
17 Coming from the science side.

18 MR. SPEAKER: (inaudible).

19 MR. GALATI: From our emissions? Okay.
20 Thor, could you tell me where we have that so we
21 can address it so the public can take a look at
22 that?

23 MR. SPEAKER: I believe it would be in
24 the appendix (inaudible) --

25 THE REPORTER: Can you speak at the mike

1 because I don't think --

2 MR. GALATI: Yes, we need to get that --

3 THE REPORTER: Or you can just reiterate
4 what he's saying, Mr. Galati.

5 MR. HIBBELER: My name is thor Hibbeler
6 for KRCD. The PM2.5 is a subset of the PM10. I
7 believe you'd find it in the appendix under
8 operational emissions from the turbines.

9 MR. GALATI: Okay. I'll look that one
10 up.

11 MR. HIBBELER: Okay.

12 MR. GALATI: Thank you.

13 HEARING OFFICER CELLI: And, ladies and
14 gentlemen, the information that's contained in the
15 AFC, the application for certification, is in
16 various libraries including Fresno. If you want
17 to know where you can find these applications, and
18 they're online, speak with Mr. Bartsch. He can
19 explain to you where you can get all that
20 information.

21 The next person who wanted to make a
22 comment is Caroline Farrell. Is Caroline Farrell
23 here?

24 MS. FARRELL: Good afternoon. My name
25 is Caroline Farrell. I'm the Directing Attorney

1 of the Center on Race, Poverty and the
2 Environment's Delano Office.

3 I wanted to make a couple of comments
4 regarding the initial staff report. Echoing a lot
5 of the comments mentioned already, I was surprised
6 to see that air wasn't an area of significant
7 controversy, given the nonattainment status of the
8 area.

9 Today a couple of issues were flagged
10 for me. One is offsets from a sort of locally
11 negotiated package. While offsets in general, I
12 mean the public has raised some issues about their
13 legitimacy in general, but having a locally
14 privately negotiated contract, some real scrutiny
15 needs to be given to make sure that they meet the
16 requirements for emission reduction credits. That
17 they're real, they're verifiable, they're
18 quantifiable. And they're surplus. And that they
19 are for the life of the project. So those are
20 just some issues that I would flag.

21 The other issues, to reiterate the
22 comments made about global warming and AB-32, the
23 state has been giving a lot of scrutiny into
24 global warming, and that was not an issue that was
25 flagged in the initial staff report. That's

1 something that definitely needs to be addressed.

2 Considering that there are 22 power
3 plants currently on the CEC's docket, nine in the
4 Valley, it raises some cumulative impacts for the
5 region, as well as some issues with ARB's new low
6 carbon fuel standard.

7 I mean if these power plants go in, how
8 is that going to affect our attempts to meet that
9 standard and to get real global warming reductions
10 from it.

11 I sit on the AB-32 Environmental Justice
12 Advisory Committee, and this is something that
13 we're going to be looking at, this idea of
14 projects going forward that undercut our efforts
15 to meet the global warming strategies.

16 The other issue I wanted to raise had to
17 do with the Williamson Act. When you're removing
18 or canceling a Williamson Act contract it brings
19 up the question of need. Do we need this project?
20 Is this something that is necessary?

21 A 565 megawatt facility, you know,
22 theoretically could provide power to 565,000
23 homes. I mean when you look at local demand,
24 where is this energy going; is the grid able to
25 take this energy? I mean we talk about queuing

1 and the San Joaquin Energy Center losing its place
2 in the queue, I mean is the community being asked
3 to bear a burden when the benefit is going to be
4 who knows where?

5 So those are some of the issues that I
6 would flag. And, thank you.

7 HEARING OFFICER CELLI: Thank you. And
8 did the applicant want to respond to the local
9 nature of the energy, as to whether it's local?

10 MR. GALATI: Yeah. I don't think I'm in
11 a position to respond to that now. There's a
12 system impact study that has been done. I don't
13 know if Mr. Orth can. But, again, the purpose is
14 to provide power under a community choice
15 aggregation program.

16 So the purpose is to grow that program
17 enough such that the entire portfolio can be used
18 in that disposal.

19 HEARING OFFICER CELLI: I just wanted to
20 make sure, if that was a question, it was answered
21 by the applicant.

22 MS. FARRELL: Thank you.

23 HEARING OFFICER CELLI: Thank you very
24 much for your comments and for your participation.

25 Elmo Murray, are you still here? Elmo

1 Murray. Elmo Murray. Also did Janet Velasco come
2 back? Janet Velasco. Okay.

3 Then we've got Gene Johnson. Gene
4 Johnson. Is Gene Johnson here from H2 Nation?
5 Gene Johnson.

6 Gene Johnson or Elmo Murray. Or Janet
7 Velasco.

8 Seeing no one coming forward, I want to
9 thank all of you for your comments. I'm now going
10 to hand this meeting back over to Commissioner
11 Pfannenstiel for adjournment.

12 PRESIDING MEMBER PFANNENSTIEL: Thank
13 you, Hearing Officer Celli. And thank you,
14 members of the public. I know that this is a
15 process that's foreign to, you know, what your
16 normal lives are.

17 And I do know that it isn't always easy
18 to get here in the afternoon. And we ended up
19 sort of compromising on a time.

20 But I do want you to know that we
21 appreciate hearing from you. This is why we are
22 here. And so your comments will influence us;
23 will be in the record. And we will take them into
24 account.

25 The next step is really to come out with

1 some schedule for what happens next, and try to
2 set up a process that moves forward and everybody
3 will know what that schedule is. We'll be issuing
4 a scheduling order as soon as we're able to.

5 With that, anything further? Staff?

6 With that, thank you for being here.

7 We'll be adjourned.

8 HEARING OFFICER CELLI: Thank you.

9 (Whereupon, at 3:58 p.m., the hearing
10 was adjourned.)

11 --o0o--

CERTIFICATE OF REPORTER

I, PETER PETTY, an Electronic Reporter,
do hereby certify that I am a disinterested person
herein; that I recorded the foregoing California
Energy Commission Hearing; that it was thereafter
transcribed into typewriting.

I further certify that I am not of
counsel or attorney for any of the parties to said
hearing, nor in any way interested in outcome of
said hearing.

IN WITNESS WHEREOF, I have hereunto set
my hand this 22nd day of January, 2008.

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